

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

### Filing at a Glance

Company: Principal Life Insurance Company  
 Product Name: FR 142, FR 601  
 State: Virginia  
 TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care  
 Sub-TOI: LTC05G.001 Qualified  
 Filing Type: Rate  
 Date Submitted: 07/26/2018  
 SERFF Tr Num: TRIP-131594000  
 SERFF Status: Closed-Approved  
 State Tr Num: TRIP-131594000  
 State Status: Approved  
 Co Tr Num: PRINCIPAL GROUP LTC 2018 LTC RATE INCREASE  
  
 Implementation: On Approval  
 Date Requested:  
 Author(s): Beverly Toomey, Dave Krydinski  
 Reviewer(s): Bill Dismore (primary), Elsie Andy  
 Disposition Date: 09/03/2020  
 Disposition Status: Approved  
 Implementation Date:

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Small and Large
Group Market Type:	Overall Rate Impact: 117.622%
Filing Status Changed: 09/03/2020	
State Status Changed: 09/03/2020	Deemer Date: 09/27/2020
Created By: Beverly Toomey	Submitted By: Beverly Toomey
Corresponding Filing Tracking Number:	
State TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care	State Sub-TOI: LTC05G.001 Qualified
Filing Description:	

**State:** Virginia  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

Re: PrinCare Long-Term Care Certificate (LTC I)FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC)FR 601

These are existing group policy forms that provide comprehensive long-term care coverage on a reimbursement basis. Policies were issued in Virginia from October 1, 1989 to June 1, 1999 and are no longer being marketed in any jurisdiction.

In 1996, MedAmerica assumed 100% of the risk on the Principal block, and manages the entire block. All of the policies remain on Principal paper.

Principal is requesting the approval of a premium rate increase on the captioned policy forms which varies by benefit period. The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing. The increase varies by benefit period to more closely align the adverse experience, and to reflect current rate relativities.

Benefit Period	Proposed Increase Year 1	Proposed Increase Year 2	Proposed Increase Year 3	Cumulative Increase
Limited BP	20%	20%	20%	73%
Unlimited BP	31%	31%	31%	125%

The cumulative average rate increase across all benefit periods is 118% in Virginia.

As noted in the enclosed actuarial memorandum, there have been no previous rate revisions on these forms in Virginia.

Principal will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, Principal will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

Enclosed with this submission is a policyholder notification letter, provided by the company, which is in compliance with 14 VAC5-200-75. Additionally, a contingent nonforfeiture (CNF) benefit election form is provided to policyholders alongside the notification letter is also being filed with the Bureau. Enclosed with this submission are the appropriate statement of variability, certification of compliance, and readability certification for these forms, as required.

The following electronic items are included with this submission:

- cover letter
- Rate Revision Review Requirements Checklist
- Health Insurance Rate Request Summary
- letter from Principal authorizing us to submit this filing on their behalf
- claims and administrative processing plan, as provided by MedAmerica
- actuarial memorandum
- original actuarial memorandum
- current and proposed premium rate schedules
- policyholder notification letter
- CNF election form
- statement of variability
- certificate of compliance
- readability certification

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## Company and Contact

### Filing Contact Information

Beverly Toomey, Actuarial Analyst BToomey@TriPlusServices.com  
 2800 South River Road 224-217-9038 [Phone]  
 Suite 440  
 Des Plaines, IL 60018

### Filing Company Information

(This filing was made by a third party - triplus)

Principal Life Insurance Company	CoCode: 61271	State of Domicile: Iowa
711 High Street	Group Code:	Company Type: Life & Health
Des Moines, IA 50392	Group Name:	State ID Number:
(000) 000-0000 ext. [Phone]	FEIN Number: 42-0127290	

## Filing Fees

Fee Required? No  
 Retaliatory? No  
 Fee Explanation:

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Bill Dismore	09/03/2020	09/03/2020

## Objection Letters and Response Letters

### Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Bill Dismore	07/24/2020	07/24/2020
Info has been requested from company	Bill Dismore	12/31/2019	12/31/2019
Info has been requested from company	Bill Dismore	12/10/2019	12/10/2019
Info has been requested from company	Bill Dismore	10/21/2019	10/21/2019
Info has been requested from company	Bill Dismore	03/04/2019	03/04/2019
Info has been requested from company	Bill Dismore	09/20/2018	09/20/2018
Info has been requested from company	Bill Dismore	07/26/2018	07/26/2018

### Response Letters

Responded By	Created On	Date Submitted
Beverly Toomey	08/27/2020	08/27/2020
Beverly Toomey	01/24/2020	01/24/2020
Beverly Toomey	12/12/2019	12/12/2019
Dave Krydinski	11/20/2019	11/20/2019
Beverly Toomey	04/04/2019	04/04/2019
Beverly Toomey	09/20/2018	09/20/2018
Beverly Toomey	08/27/2018	08/27/2018

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	PFGP-VA-0718	Beverly Toomey	12/30/2019	12/30/2019
Form	PFGOEF-VA-0718	Beverly Toomey	12/30/2019	12/30/2019
Supporting Document	Notes to Filer Response 12-30-2019	Beverly Toomey	12/30/2019	12/30/2019

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

**Amendments**

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	John Doe Policyholder Notification Letters	Beverly Toomey	12/30/2019	12/30/2019
Form	PFGP-VA-0718	Beverly Toomey	12/17/2019	12/17/2019

**Filing Notes**

Subject	Note Type	Created By	Created On	Date Submitted
Follow up to 7/24/2020 Objection	Note To Filer	Bill Dismore	08/27/2020	08/27/2020
Follow-up to 07-24-2020 objection	Note To Reviewer	Beverly Toomey	08/26/2020	08/26/2020
John Doe Policyholder Letter	Note To Filer	Bill Dismore	12/18/2019	12/18/2019
Response to Objection #5 of 12/12/2019 Objection Response Letter	Note To Filer	Bill Dismore	12/18/2019	12/18/2019
Actuarial Review - Final Summary Report	Reviewer Note	Bill Dismore	11/22/2019	
Rate Increase Proposal	Reviewer Note	Bill Dismore	10/17/2019	
RRS	Reviewer Note	Bill Dismore	02/14/2019	

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
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## Disposition

Disposition Date: 09/03/2020

Implementation Date:

Status: Approved

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Principal Life Insurance Company	29.480%	29.480%	\$418	5	\$1,417	31.000%	20.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Certification of Compliance	Received & Acknowledged	Yes
Supporting Document	Product Checklist	Received & Acknowledged	Yes
Supporting Document (revised)	L&H Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document (revised)	Long Term Care Insurance Rate Request Summary	Received & Acknowledged	Yes
Supporting Document	Cover Letter	Received & Acknowledged	Yes
Supporting Document (revised)	VA Exhibits	Received & Acknowledged	Yes
Supporting Document	Third Party Authorization Letter	Received & Acknowledged	Yes
Supporting Document	Additional Filing Information	Received & Acknowledged	Yes
Supporting Document	Current VA Rates	Received & Acknowledged	Yes
Supporting Document	Original Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document (revised)	Statement of Variability	Received & Acknowledged	Yes
Supporting Document	Objection Response 08-27-2018	Received & Acknowledged	Yes
Supporting Document	Objection Response 09-20-2018	Received & Acknowledged	Yes
Supporting Document	Objection Response 04-04-2019	Received & Acknowledged	Yes
Supporting Document	Objection Response 11-20-2019	Received & Acknowledged	Yes
Supporting Document (revised)	Readability Compliance Certification	Received & Acknowledged	Yes
Supporting Document	Objection Response 12-12-2019	Received & Acknowledged	Yes
Supporting Document	Notes to Filer Response 12-30-2019	Received & Acknowledged	Yes
Supporting Document (revised)	John Doe Policyholder Notification Letter	Received & Acknowledged	Yes

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Objection Response 01-24-2020	Received & Acknowledged	Yes
Supporting Document	Certification of Compliance	Withdrawn	No
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	VA Exhibits	Withdrawn	No
Supporting Document	Statement of Variability	Withdrawn	No
Supporting Document	Statement of Variability	Withdrawn	No
Supporting Document	Statement of Variability	Withdrawn	No
Supporting Document	Readability Compliance Certification	Withdrawn	No
Supporting Document	John Doe Policyholder Notification Letters	Withdrawn	No
Supporting Document	John Doe Policyholder Notification Letters	Withdrawn	No
Form (revised)	Withdrawn	Withdrawn	Yes
Form (revised)	Withdrawn	Withdrawn	Yes
Form (revised)	PFGP-VA-0718	Approved	Yes
Form (revised)	PFGOEF-VA-0718	Approved	Yes
Form (revised)	Withdrawn	Withdrawn	No
Form	PFGN-VA-0718	Withdrawn	No
Form	PFCGNF-VA-0718	Withdrawn	No
Form	PFGP-VA-0718	Withdrawn	No
Form	PFGP-VA-0718	Withdrawn	No
Form	PFGP-VA-0718	Withdrawn	No
Form	PFGP-VA-0918	Withdrawn	No
Form	PFGP-VA-0718	Withdrawn	No
Form	PFGOEF-VA-0718	Withdrawn	No
Form	PFGOEF-VA-0718	Withdrawn	No
Form	PFGOEF-VA-0718	Withdrawn	No
Form	PFGOEF-VA-0718	Withdrawn	No
Form	LH 660 UNIFORM	Withdrawn	No
Rate (revised)	2018 LTC Rates	Approved	Yes
Rate	2018 LTC Rates	Withdrawn	No

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/24/2020
Submitted Date	07/24/2020
Respond By Date	08/31/2020

Dear Beverly Toomey,

**Introduction:**

The final approval of this filing is contingent upon the approval of a related filing as described below.

**Objection 1**

Comments: This filing is pending until the policyholder notification forms filed under SERFF # TRIP-131593732 are ready for approval.

Please do not respond to this objection until the BOI notifies the company the policyholder notification forms are ready for approval.

**Conclusion:**

We will finalize our review once the related filing is ready for approval.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bill Dismore

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/31/2019
Submitted Date	12/31/2019
Respond By Date	01/30/2020

Dear Beverly Toomey,

### Introduction:

One or more forms included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

### Objection 1

- Notes to Filer Response 12-30-2019 (Supporting Document)

Comments: Objection #1 Response - Contingent Non-Forfeiture Benefit

In your 12/11/2019 objection response, the Company explained that they did not offer a nonforfeiture benefit option in the long-term care policy or as a rider.

Since the Company has not offered a nonforfeiture benefit as a part of the policy, then 14 VAC 5-200-185 D. provides that policies without nonforfeiture benefits shall provide a "contingent benefit upon lapse."

The Virginia Bureau of Insurance does not consider the two benefits to be identical and/or interchangeable and the policyholder letter should be revised using the correct terminology.

### Objection 2

- Statement of Variability (Supporting Document)

- PFGP-VA-0718, PFGP-VA-0718 (Form)

Comments: In "OFFICER\_TITLE located under the Signature Line,

The John Doe letter introduces MedAmerica Insurance Company in this section. This is not listed on the Statement of Variability for <<OFFICER\_TITLE>>.

Should the Company desire to introduce MedAmerica Insurance Company into the Principal Life Insurance Company's policyholder letter, they need to explain the relationship of MedAmerica Insurance Company to Principal Life Insurance Company to prevent confusing the policyholder.

### Conclusion:

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

**State:** Virginia

**Filing Company:** Principal Life Insurance Company

**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified

**Product Name:** FR 142, FR 601

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*Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.*

*Thank you for your courtesy and consideration in this matter.*

*Sincerely,  
Bill Dismore*

**State:** Virginia  
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**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

**Filing Company:** Principal Life Insurance Company

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/10/2019
Submitted Date	12/10/2019
Respond By Date	01/10/2020

Dear Beverly Toomey,

### Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

One or more forms included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

### Objection 1

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Please enter the SERFF Tracking Number on the Health Insurance Rate Request Summary form.

### Objection 2

- LH 660 UNIFORM, LH 660 UNIFORM (Form)

Comments: Please revise the certification (LH 660 UNIFORM) for the correct forms PFGP-VA-0718 and PFGOEF-VA-0718 and place the revised certification under the Supporting Documentation tab. The certification should not be filed under the Form Schedule.

### Objection 3

- PFGN-VA-0718, PFGN-VA-0718 (Form)

- PFCGNF-VA-0718, PFCGNF-VA-0718 (Form)

Comments: The policyholder notification letters noted above appear to be identical to the Individual policyholder notification letters filed under TRIP-131593732. If that is the case, please remove these two policyholder letter forms from the Form Schedule as they are being reviewed under TRIP-131593732.

### Objection 4

- PFGP-VA-0718, PFGP-VA-0718 (Form)

- PFGOEF-VA-0718, PFGOEF-VA-0718 (Form)

Comments: The full and proper corporate name of the insurer must appear in the letter pursuant to 14VAC5-100-50 2. "Principal Financial Group" is not the name of the insurer. It should be "Principal Life Insurance Company".

### Objection 5

- PFGP-VA-0718, PFGP-VA-0718 (Form)

Comments: 1) Since this is a group policy form, please advise if the policy number and certificate number are one and the same. If not, the policyholder notification letter forms should be revised to add the certificate number. The Statement of Variability will also need to be updated for this variance.

2) Page 1, first sentence, please revise the letter for variance to the words, ".....three consecutive annual premium increases..."

3) Please revise the second paragraph that begins with "The premium adjustments are as follows:" The additional rate increases should either be removed or made variable, with a full explanation of the variances.

**State:** Virginia  
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- 4) Consider revising or removing the last sentence under Option #3, "This Benefit will not be offered when the second and third rate increases go into effect."
- 5) Please clarify if the policy provides a "Contingent Non-Forfeiture Benefit" or a "Contingent Benefit Upon Lapse". The contingent benefit upon lapse (Contingent Non-Forfeiture Benefit) should be compliant with 14VAC5-200-185. Clarify if the election form becomes a part of the policy upon receipt by the Company.
- 5) Please confirm that there are no partnership policies issued under these group LTC policy form.
- 6) Consider adding customer service hours and making the customer service contact information and hours variable in the event of a future change.
- 7) In the 3rd to last paragraph on page 2, consider making the Virginia Bureau of Insurance's webpage variable in the event of a future change.
- 8) Consider making the signature block, and title of signing officer, variable in the event of a future change.
- 9) If an insured's premium is currently being waived because they are on claim, please explain the process. Will they be required to select an option at the time they are notified of the increase, at the time that they come off claim, etc.? How much time do they have once they come off claim to notify the company of their option selection?
- 10) Pursuant to 14VAC5-200-75 D, an insurer is required to provide notice of an upcoming premium rate schedule increase to all policyholders at least 75 days prior to the implementation of the premium rate schedule increase. Please confirm that the company will comply with this requirement.
- 11) Pursuant to 14VAC5-200-75 A. 1. the policyholder notification letter must contain a statement that the policy may be subject to rate increases in the future, if that is the Company's intentions. 14VAC5-200-75 A. 2. further states that the Company provide an explanation of potential future rate revisions and the policyholder's option in the event of a premium rate revision.

#### **Objection 6**

- PFGP-VA-0718, PFGP-VA-0718 (Form)
- PFGOEF-VA-0718, PFGOEF-VA-0718 (Form)

Comments: Please provide a "John Doe" sample policyholder notification packet under the Supporting Documentation tab once all revisions are made so that we can review exactly what a policyholder will receive from the Company.

#### **Conclusion:**

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

SERFF Tracking #: TRIP-131594000

State Tracking #: TRIP-131594000

Company Tracking #: PRINCIPAL GROUP LTC 2018  
LTC RATE INCREA...

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State: Virginia

Filing Company: Principal Life Insurance Company

TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified

Product Name: FR 142, FR 601

Project Name/Number: /

Sincerely,  
Bill Dismore

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/21/2019
Submitted Date	10/21/2019
Respond By Date	11/20/2019

Dear Beverly Toomey,

### **Introduction:**

During our review, we noted the following inconsistencies and/or need additional information to continue. Please note, any revisions, modifications, or changes of any type to a filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### **Objection 1**

- L&H Actuarial Memorandum (Supporting Document)
- Long Term Care Insurance Rate Request Summary (Supporting Document)
- 2018 LTC Rates , [FR 142, FR 601] (Rate)

Comments: Thank you for your response to our request to reduce the rate increase to 20% for plans with Limited Benefit Period and 31% for plans with Lifetime Benefit Period.

Please revise the actuarial memorandum and supporting documentation, the Rate Request Summary and the Proposed Rate sheets to reflect the revised rate increase proposal.

### **Conclusion:**

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bill Dismore

**State:** Virginia  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

**Filing Company:** Principal Life Insurance Company

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	03/04/2019
Submitted Date	03/04/2019
Respond By Date	04/04/2019

Dear Beverly Toomey,

### Introduction:

During our review, we noted the following inconsistencies and/or need additional information to continue. Please note, any revisions, modifications, or changes of any type to a filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1.Please reconcile the policy count in the Rate Information tab (5) with section 21 of the memorandum (6).

2.For all projections requested in the next question, the baseline should comply with the following:

a.Any limited-pay policies that are now in paid-up status should be removed, both from historical experience and future projections.

b.For this pre-stability block, assumptions should use a best-estimate basis without margins for moderately adverse conditions.

c.Nationwide premiums should be calculated as if all policies were issued in Virginia for both historical and projected future premiums.

3.To assist the Bureau in its review, for each of the two subsets of the business (limited vs. unlimited benefit periods) separately, please provide (in Excel format) the following projections on a nationwide basis:

a.current assumptions and current rates

b.current assumptions with the proposed rate increase

c.current assumptions with the proposed rate increase, but with no shock lapses, benefit reductions, CBUL, or adverse selection (if applicable)

d.current assumptions with premiums restated as if the proposed rate schedule had been in effect from inception

e.original assumptions and original premiums from inception

Projections a-e can be separate tabs or combined into separate columns on the same exhibit.

4.For each of the two subsets of the business above, please provide the active life reserves balance as of the projection date on a nationwide basis.

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**Conclusion:**

We shall be glad to reconsider this submission upon receipt of the requested information to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bill Dismore

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/20/2018
Submitted Date	09/20/2018
Respond By Date	

Dear Beverly Toomey,

### **Introduction:**

During our review, we noted the need additional information to continue. Please note, any revisions, modifications, or changes of any type to a filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### **Objection 1**

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the ages of the 5 remaining policyholders in Virginia.

### **Conclusion:**

We shall be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues noted above. Should you need clarification, please contact me. Thank you.

Sincerely,  
Bill Dismore

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/26/2018
Submitted Date	07/26/2018
Respond By Date	08/27/2018

Dear Beverly Toomey,

### Introduction:

During our preliminary review, we noted the following inconsistencies and/or need additional information to continue. Please address the following requests no later than the date above. Please note, any revisions, modifications, or changes of any type to a filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### Objection 1

Comments: Provide an explanation why the Company has delayed their filing for a rate revision and did not finalize their previous rate revision filing under SERFF TRIP-130565139. The last two Long Term Care Annual Rate Reports indicate that the rates were insufficient.

### Objection 2

Comments: Rate/Rule Schedule

Provide the Previous State Filing Number:

### Objection 3

- L&H Actuarial Memorandum (Supporting Document)

Comments: Provide a detailed explanation of the originally filed expense assumptions.

### Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: Provide the average attained age for the Virginia and Nationwide policyholders.

### Objection 5

- Third Party Authorization Letter (Supporting Document)

Comments: Please provide an updated Letter of Authorization. The letter states that the Service Agreement is effective January 1, 2015. The authorization is valid for twelve months. The letter is dated 11/28/17. It appears that the authorization expired after December 31, 2015.

### Objection 6

- VA Exhibits (Supporting Document)

Comments: Please provide Exhibits in Excel so that analysis can be run on the data.

### Objection 7

- VA Exhibits (Supporting Document)

Comments: Exhibit 1

Please provide an explanation for the differences in the historical Earned Premium between the Actual or Projected Experience Using Current Assumptions and the Expected Experience using Pricing Assumptions.

### Conclusion:

**State:** Virginia

**Filing Company:** Principal Life Insurance Company

**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified

**Product Name:** FR 142, FR 601

**Project Name/Number:** /

*We shall be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues noted above. Should you need clarification, please contact me. Thank you for your courtesy and prompt response.*

*Sincerely,*

*Bill Dismore*

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/27/2020
Submitted Date	08/27/2020

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*Dear Bill Dismore,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please see the revised files on the Form Schedule and the Supporting Documentation Tabs.*

### **Related Objection 1**

*Comments: This filing is pending until the policyholder notification forms filed under SERFF # TRIP-131593732 are ready for approval.*

*Please do not respond to this objection until the BOI notifies the company the policyholder notification forms are ready for approval.*

### **Changed Items:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 1.22.20.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 12.10.19.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Statement of Variability Principal Product Line.pdf</i>

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 1.22.20.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 12.10.19.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Statement of Variability Principal Product Line.pdf</i>

<b>Satisfied - Item:</b>	Readability Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Readability Compliance Certification 8.20.20.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Readability Compliance Certification</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Readability Compliance Certification Principal 12.10.19.pdf</i>

State: Virginia	Filing Company: Principal Life Insurance Company
TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
Product Name: FR 142, FR 601	
Project Name/Number: /	

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 1.22.20.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 12.10.19.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Statement of Variability Principal Product Line.pdf</i>

<b>Satisfied - Item:</b>	Readability Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Readability Compliance Certification 8.20.20.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Readability Compliance Certification</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Readability Compliance Certification Principal 12.10.19.pdf</i>

<b>Satisfied - Item:</b>	John Doe Policyholder Notification Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	John Doe PFGP-VA-0718.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>John Doe Policyholder Notification Letters</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>John Doe PFGP-VA-0718.pdf John Doe PFGOEF-VA-0718.pdf</i>

SERFF Tracking #: TRIP-131594000      State Tracking #: TRIP-131594000      Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

State: Virginia      Filing Company: Principal Life Insurance Company  
TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
Product Name: FR 142, FR 601  
Project Name/Number: /

	<i>John Doe PFGN-VA-0718.pdf</i> <i>John Doe PFGCNF-VA-0718.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>John Doe Policyholder Notification Letters</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>John Doe PFGP-VA-0718.pdf</i> <i>John Doe PFGOEF-VA-0718.pdf</i> <i>John Doe PFGN-VA-0718.pdf</i> <i>John Doe PFGCNF-VA-0718.pdf</i>

SERFF Tracking #: TRIP-131594000

State Tracking #: TRIP-131594000

Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE  
INCREA...

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 08/27/2020 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/17/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 08/27/2020 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 08/27/2020 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			VA Principal Group PLTC Option Election Form 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,  
 Beverly Toomey

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/24/2020
Submitted Date	01/24/2020

Dear Bill Dismore,

**Introduction:**

**Response 1**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 1**

Applies To:

- Notes to Filer Response 12-30-2019 (Supporting Document)

Comments: Objection #1 Response - Contingent Non-Forfeiture Benefit

In your 12/11/2019 objection response, the Company explained that they did not offer a nonforfeiture benefit option in the long-term care policy or as a rider.

Since the Company has not offered a nonforfeiture benefit as a part of the policy, then 14 VAC 5-200-185 D. provides that policies without nonforfeiture benefits shall provide a "contingent benefit upon lapse."

The Virginia Bureau of Insurance does not consider the two benefits to be identical and/or interchangeable and the policyholder letter should be revised using the correct terminology.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 01-24-2020
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191231 objection_20200123.pdf

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/17/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-	PFGOEF-VA-	POLA	Initial			VA Principal	Date Submitted:

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
	0718	0718					Group PLTC Option Election Form 7.18.18.pdf	07/26/2018 By: Beverly Toomey

No Rate/Rule Schedule items changed.

**Response 2**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 2**

Applies To:

- Statement of Variability (Supporting Document)
- PFGP-VA-0718, PFGP-VA-0718 (Form)

Comments: In "OFFICER\_TITLE located under the Signature Line,

The John Doe letter introduces MedAmerica Insurance Company in this section. This is not listed on the Statement of Variability for <<OFFICER\_TITLE>>.

Should the Company desire to introduce MedAmerica Insurance Company into the Principal Life Insurance Company's policyholder letter, they need to explain the relationship of MedAmerica Insurance Company to Principal Life Insurance Company to prevent confusing the policyholder.

**Changed Items:**

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 01-24-2020
Comments:	
Attachment(s):	Principal VA_Group_Response to 20191231 objection_20200123.pdf

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 01-24-2020
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191231 objection_20200123.pdf
<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal 1.22.20.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 12.10.19.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Statement of Variability Principal Product Line.pdf</i>

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	Objection Response 01-24-2020
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191231 objection_20200123.pdf

<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal 1.22.20.pdf

*Previous Version*

<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Statement of Variability Principal 12.10.19.pdf</i>

*Previous Version*

<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Statement of Variability Principal Product Line.pdf</i>

<b>Satisfied - Item:</b>	John Doe Policyholder Notification Letters
<b>Comments:</b>	
<b>Attachment(s):</b>	John Doe PFGP-VA-0718.pdf John Doe PFGOEF-VA-0718.pdf John Doe PFGN-VA-0718.pdf John Doe PFGCNF-VA-0718.pdf

*Previous Version*

<b>Satisfied - Item:</b>	<i>John Doe Policyholder Notification Letters</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>John Doe PFGP-VA-0718.pdf John Doe PFGOEF-VA-0718.pdf John Doe PFGN-VA-0718.pdf John Doe PFGCNF-VA-0718.pdf</i>

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/17/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-	PFGOEF-VA-	POLA	Initial			VA Principal	Date Submitted:

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 01/24/2020 By: Beverly Toomey
	<i>0718</i>	<i>0718</i>					<i>Group PLTC Option Election Form 7.18.18.pdf</i>	<i>07/26/2018 By: Beverly Toomey</i>

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,  
 Beverly Toomey

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/12/2019
Submitted Date	12/12/2019

Dear Bill Dismore,

**Introduction:**

**Response 1**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 1**

Applies To:

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Please enter the SERFF Tracking Number on the Health Insurance Rate Request Summary form.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Certificate of Compliance Principal 12.10.19.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Certification of Compliance</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Certificate of Compliance.pdf</i>

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

**Supporting Document Schedule Item Changes**

**Satisfied - Item:** Certification of Compliance

**Comments:**

**Attachment(s):** VA Certificate of Compliance Principal 12.10.19.pdf

*Previous Version*

**Satisfied - Item:** *Certification of Compliance*

**Comments:**

**Attachment(s):** *Principal VA Certificate of Compliance.pdf*

**Satisfied - Item:** Long Term Care Insurance Rate Request Summary

**Comments:**

**Attachment(s):** VA Health Insurance Rate Request Summary\_Group\_20180720.pdf  
 VA Health Insurance Request Form\_Group\_20191210.pdf

*Previous Version*

**Satisfied - Item:** *Long Term Care Insurance Rate Request Summary*

**Comments:**

**Attachment(s):** *VA Health Insurance Rate Request Summary\_Group\_20180720.pdf*  
*VA Health Insurance Request Form\_Group\_20191120.pdf*

*Previous Version*

**Satisfied - Item:** *Long Term Care Insurance Rate Request Summary*

**Comments:**

**Attachment(s):** *VA Health Insurance Request Form\_Group.pdf*  
*VA Health Insurance Rate Request Summary\_Group\_20180720.pdf*

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Certificate of Compliance Principal 12.10.19.pdf

#### Previous Version

<b>Satisfied - Item:</b>	<i>Certification of Compliance</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Certificate of Compliance.pdf</i>

<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Health Insurance Rate Request Summary_Group_20180720.pdf VA Health Insurance Request Form_Group_20191210.pdf

#### Previous Version

<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Health Insurance Rate Request Summary_Group_20180720.pdf</i> <i>VA Health Insurance Request Form_Group_20191120.pdf</i>

#### Previous Version

<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Health Insurance Request Form_Group.pdf</i> <i>VA Health Insurance Rate Request Summary_Group_20180720.pdf</i>

<b>Satisfied - Item:</b>	Objection Response 12-12-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191210 objection_20191211.pdf

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Certificate of Compliance Principal 12.10.19.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Certification of Compliance</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Certificate of Compliance.pdf</i>
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Health Insurance Rate Request Summary_Group_20180720.pdf VA Health Insurance Request Form_Group_20191210.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Health Insurance Rate Request Summary_Group_20180720.pdf VA Health Insurance Request Form_Group_20191210.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Health Insurance Request Form_Group.pdf VA Health Insurance Rate Request Summary_Group_20180720.pdf</i>
<b>Satisfied - Item:</b>	Objection Response 12-12-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191210 objection_20191211.pdf
<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal 12.10.19.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability</i>
<b>Comments:</b>	

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Attachment(s): VA Statement of Variability Principal Product Line.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 2**

**Comments:**

Please see our response under Objection #1.

**Related Objection 2**

Applies To:

- LH 660 UNIFORM, LH 660 UNIFORM (Form)

Comments: Please revise the certification (LH 660 UNIFORM) for the correct forms PFGP-VA-0718 and PFGOEF-VA-0718 and place the revised certification under the Supporting Documentation tab. The certification should not be filed under the Form Schedule.

**Changed Items:**

Supporting Document Schedule Item Changes	
Satisfied - Item:	Readability Compliance Certification
Comments:	
Attachment(s):	VA Readability Compliance Certification Principal 12.10.19.pdf

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Withdrawn	LH 660 UNIFORM	POLA	Initial				Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	LH 660 UNIFORM	LH 660 UNIFORM	POLA	Initial			Principal VA Readability Compliance Certification.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

No Rate/Rule Schedule items changed.

**Response 3**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 3**

Applies To:

- PFGN-VA-0718, PFGN-VA-0718 (Form)
- PFCGNF-VA-0718, PFCGNF-VA-0718 (Form)

Comments: The policyholder notification letters noted above appear to be identical to the Individual policyholder notification letters filed under TRIP-131593732. If that is the case, please remove these two policyholder letter forms from the Form Schedule as they are being reviewed under TRIP-131593732.

**Changed Items:**

No Supporting Documents changed.

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Withdrawn	PFGN-VA-0718	POLA	Initial				Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGN-VA-0718	PFGN-VA-0718	POLA	Initial			VA Principal Group LTC I PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	Withdrawn	PFCGNF-VA-0718	POLA	Initial				Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFCGNF-VA-0718	PFCGNF-VA-0718	POLA	Initial			VA Principal Group LTC I CNF 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

No Rate/Rule Schedule items changed.

**Response 4**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 4**

Applies To:

- PFGP-VA-0718, PFGP-VA-0718 (Form)
- PFGOEF-VA-0718, PFGOEF-VA-0718 (Form)

Comments: The full and proper corporate name of the insurer must appear in the letter pursuant to 14VAC5-100-50 2. "Principal Financial Group" is not the name of the insurer. It should be "Principal Life Insurance Company".

**Changed Items:**

No Supporting Documents changed.

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			VA Principal Group PLTC Option Election Form 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

*No Rate/Rule Schedule items changed.*

### **Response 5**

#### **Comments:**

*Please see our response on the Supporting Documentation Tab.*

### **Related Objection 5**

*Applies To:*

*- PFGP-VA-0718, PFGP-VA-0718 (Form)*

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

- Comments: 1) Since this is a group policy form, please advise if the policy number and certificate number are one and the same. If not, the policyholder notification letter forms should be revised to add the certificate number. The Statement of Variability will also need to be updated for this variance.
- 2) Page 1, first sentence, please revise the letter for variance to the words, ".....three consecutive annual premium increases..."
- 3) Please revise the second paragraph that begins with "The premium adjustments are as follows:" The additional rate increases should either be removed or made variable, with a full explanation of the variances.
- 4) Consider revising or removing the last sentence under Option #3, "This Benefit will not be offered when the second and third rate increases go into effect."
- 5) Please clarify if the policy provides a "Contingent Non-Forfeiture Benefit" or a "Contingent Benefit Upon Lapse". The contingent benefit upon lapse (Contingent Non-Forfeiture Benefit) should be compliant with 14VAC5-200-185. Clarify if the election form becomes a part of the policy upon receipt by the Company.
- 5) Please confirm that there are no partnership policies issued under these group LTC policy form.
- 6) Consider adding customer service hours and making the customer service contact information and hours variable in the event of a future change.
- 7) In the 3rd to last paragraph on page 2, consider making the Virginia Bureau of Insurance's webpage variable in the event of a future change.
- 8) Consider making the signature block, and title of signing officer, variable in the event of a future change.
- 9) If an insureds premium is currently being waived because they are on claim, please explain the process. Will they be required to select an option at the time they are notified of the increase, at the time that they come off claim, etc.? How much time do they have once they come off claim to notify the company of their option selection?
- 10) Pursuant to 14VAC5-200-75 D, an insurer is required to provide notice of an upcoming premium rate schedule increase to all policyholders at least 75 days prior to the implementation of the premium rate schedule increase. Please confirm that the company will comply with this requirement.
- 11) Pursuant to 14VAC5-200-75 A. 1. the policyholder notification letter must contain a statement that the policy may be subject to rate increases in the future, if that is the Company's intentions. 14VAC5-200-75 A. 2. further states that the Company provide an explanation of potential future rate revisions and the policyholder's option in the event of a premium rate revision.

**Changed Items:**

No Supporting Documents changed.

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

No Rate/Rule Schedule items changed.

**Response 6**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 6**

Applies To:

- PFGP-VA-0718, PFGP-VA-0718 (Form)
- PFGOEF-VA-0718, PFGOEF-VA-0718 (Form)

Comments: Please provide a "John Doe" sample policyholder notification packet under the Supporting Documentation tab once all revisions are made so that we can review exactly what a policyholder will receive from the Company.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,  
Beverly Toomey

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/20/2019
Submitted Date	11/20/2019

Dear Bill Dismore,

**Introduction:**

**Response 1**

**Comments:**

Please see the attached response letter and revised documents. We have also submitted a post-submission update reflecting the revised increase.

**Related Objection 1**

Applies To:

- 2018 LTC Rates , [FR 142, FR 601] (Rate)
- L&H Actuarial Memorandum (Supporting Document)
- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Thank you for your response to our request to reduce the rate increase to 20% for plans with Limited Benefit Period and 31% for plans with Lifetime Benefit Period.

Please revise the actuarial memorandum and supporting documentation, the Rate Request Summary and the Proposed Rate sheets to reflect the revised rate increase proposal.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group Memorandum_20180720 rev 20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group Memorandum_20180720.pdf

SERFF Tracking #: TRIP-131594000      State Tracking #: TRIP-131594000      Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group Memorandum_20180720 rev 20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Group Memorandum_20180720.pdf</i>
<b>Satisfied - Item:</b>	VA Exhibits
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Appendix A_Group_20180720.pdf Principal VA Group Experience Exhibits for Actuarial Memorandum_rev 20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>VA Exhibits</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Group Experience Exhibits for Actuarial Memorandum_20180720.pdf</i> <i>Principal VA Appendix A_Group_20180720.pdf</i>

SERFF Tracking #: TRIP-131594000      State Tracking #: TRIP-131594000      Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

**Supporting Document Schedule Item Changes**

**Satisfied - Item:** L&H Actuarial Memorandum

**Comments:**

**Attachment(s):** Principal VA Group Memorandum\_20180720 rev 20191120.pdf

*Previous Version*

**Satisfied - Item:** L&H Actuarial Memorandum

**Comments:**

**Attachment(s):** Principal VA Group Memorandum\_20180720.pdf

**Satisfied - Item:** VA Exhibits

**Comments:**

**Attachment(s):** Principal VA Appendix A\_Group\_20180720.pdf  
 Principal VA Group Experience Exhibits for Actuarial Memorandum\_rev 20191120.pdf

*Previous Version*

**Satisfied - Item:** VA Exhibits

**Comments:**

**Attachment(s):** Principal VA Group Experience Exhibits for Actuarial Memorandum\_20180720.pdf  
 Principal VA Appendix A\_Group\_20180720.pdf

**Satisfied - Item:** Objection Response 11-20-2019

**Comments:**

**Attachment(s):** Principal VA\_Group\_Response to 20191021 objection\_20191120.pdf

SERFF Tracking #: TRIP-131594000 State Tracking #: TRIP-131594000 Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group Memorandum_20180720 rev 20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Group Memorandum_20180720.pdf</i>
<b>Satisfied - Item:</b>	VA Exhibits
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Appendix A_Group_20180720.pdf Principal VA Group Experience Exhibits for Actuarial Memorandum_rev 20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>VA Exhibits</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>Principal VA Group Experience Exhibits for Actuarial Memorandum_20180720.pdf Principal VA Appendix A_Group_20180720.pdf</i>
<b>Satisfied - Item:</b>	Objection Response 11-20-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191021 objection_20191120.pdf
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Health Insurance Rate Request Summary_Group_20180720.pdf VA Health Insurance Request Form_Group_20191120.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	
<b>Attachment(s):</b>	<i>VA Health Insurance Request Form_Group.pdf VA Health Insurance Rate Request Summary_Group_20180720.pdf</i>

No Form Schedule items changed.

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	2018 LTC Rates	FR 142, FR 601	Revised	Previous State Filing Number:  Percent Rate Change Request: 28.48	Principal VA Group LTC 1_Form FR 142_Approved Rates_20191120.pdf, Principal VA Group PLTC_Form FR 601_Approved Rates_20191120.pdf,	11/20/2019 By: Dave Krydyski
<i>Previous Version</i>						
1	2018 LTC Rates	FR 142, FR 601	Revised	Previous State Filing Number:  Percent Rate Change Request: 117.622	Principal VA Group LTC 1_Form FR 142_Proposed Rates.pdf, Principal VA Group PLTC_Form FR 601_Proposed Rates.pdf,	07/26/2018 By: Beverly Toomey

**Conclusion:**

Sincerely,  
 Dave Krydyski

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/04/2019
Submitted Date	04/04/2019

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*Dear Bill Dismore,*

### **Introduction:**

### **Response 1**

#### **Comments:**

*Please see our response on the Supporting Documentation Tab.*

### **Related Objection 1**

*Applies To:*

*- L&H Actuarial Memorandum (Supporting Document)*

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

Comments: 1.Please reconcile the policy count in the Rate Information tab (5) with section 21 of the memorandum (6).

2.For all projections requested in the next question, the baseline should comply with the following:

a.Any limited-pay policies that are now in paid-up status should be removed, both from historical experience and future projections.

b.For this pre-stability block, assumptions should use a best-estimate basis without margins for moderately adverse conditions.

c.Nationwide premiums should be calculated as if all policies were issued in Virginia for both historical and projected future premiums.

3.To assist the Bureau in its review, for each of the two subsets of the business (limited vs. unlimited benefit periods) separately, please provide (in Excel format) the following projections on a nationwide basis:

a.current assumptions and current rates

b.current assumptions with the proposed rate increase

c.current assumptions with the proposed rate increase, but with no shock lapses, benefit reductions, CBUL, or adverse selection (if applicable)

d.current assumptions with premiums restated as if the proposed rate schedule had been in effect from inception

e.original assumptions and original premiums from inception

Projections a-e can be separate tabs or combined into separate columns on the same exhibit.

4.For each of the two subsets of the business above, please provide the active life reserves balance as of the projection date on a nationwide basis.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 04-04-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20190304 objection_20190404.pdf Principal Group VA_Attachments_Obj 20190304_20190404.xlsx

No Form Schedule items changed.

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

*No Rate/Rule Schedule items changed.*

**Conclusion:**

*Sincerely,  
Beverly Toomey*

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Response Letter

Response Letter Status      Submitted to State  
 Response Letter Date      09/20/2018  
 Submitted Date      09/20/2018

Dear Bill Dismore,

**Introduction:**

**Response 1**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 1**

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the ages of the 5 remaining policyholders in Virginia.

**Changed Items:**

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 09-20-2018
Comments:	
Attachment(s):	Principal VA_Group_Response to 20180920 objection_20180920.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,

Beverly Toomey

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/27/2018
Submitted Date	08/27/2018

Dear Bill Dismore,

**Introduction:**

**Response 1**

**Comments:**

Please see our response on the Supporting Documentation Tab.

**Related Objection 1**

Comments: Provide an explanation why the Company has delayed their filing for a rate revision and did not finalize their previous rate revision filing under SERFF TRIP-130565139. The last two Long Term Care Annual Rate Reports indicate that the rates were insufficient.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 08-27-2018
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20180726 objection_20180827.pdf July2017AgreementAmendments-signed.pdf Principal VA Experience Exhibits_Group_ 20180827.xlsb

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 2**

**Comments:**

Please see our response under Objection #1.

**Related Objection 2**

Comments: Rate/Rule Schedule

Provide the Previous State Filing Number:

State: Virginia Filing Company: Principal Life Insurance Company  
TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
Product Name: FR 142, FR 601  
Project Name/Number: /

**Changed Items:**

No Supporting Documents changed.  
No Form Schedule items changed.  
No Rate/Rule Schedule items changed.

**Response 3**

**Comments:**

Please see our response under Objection #1.

**Related Objection 3**

Applies To:  
- L&H Actuarial Memorandum (Supporting Document)  
Comments: Provide a detailed explanation of the originally filed expense assumptions.

**Changed Items:**

No Supporting Documents changed.  
No Form Schedule items changed.  
No Rate/Rule Schedule items changed.

**Response 4**

**Comments:**

Please see our response under Objection #1.

**Related Objection 4**

Applies To:  
- L&H Actuarial Memorandum (Supporting Document)  
Comments: Provide the average attained age for the Virginia and Nationwide policyholders.

**Changed Items:**

No Supporting Documents changed.  
No Form Schedule items changed.

<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

No Rate/Rule Schedule items changed.

### **Response 5**

#### **Comments:**

Please see our response under Objection #1.

### **Related Objection 5**

Applies To:

- Third Party Authorization Letter (Supporting Document)

Comments: Please provide an updated Letter of Authorization. The letter states that the Service Agreement is effective January 1, 2015. The authorization is valid for twelve months. The letter is dated 11/28/17. It appears that the authorization expired after December 31, 2015.

#### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Response 6**

#### **Comments:**

Please see our response under Objection #1.

### **Related Objection 6**

Applies To:

- VA Exhibits (Supporting Document)

Comments: Please provide Exhibits in Excel so that analysis can be run on the data.

#### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### **Response 7**

**SERFF Tracking #:** TRIP-131594000      **State Tracking #:** TRIP-131594000      **Company Tracking #:** PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

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**State:** Virginia      **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

**Comments:**

Please see our response under Objection #1.

**Related Objection 7**

Applies To:

- VA Exhibits (Supporting Document)

Comments: Exhibit 1

Please provide an explanation for the differences in the historical Earned Premium between the Actual or Projected Experience Using Current Assumptions and the Expected Experience using Pricing Assumptions.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,

Beverly Toomey

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

## Amendment Letter

Submitted Date: 12/30/2019

Comments:

Please see our response to the 12-18-2019 Notes to Filer on the Supporting Documentation Tab.

Changed Items:

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/17/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/30/2019 By:
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
2	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			VA Principal Group PLTC Option Election Form 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

No Rate Schedule Items Changed.

SERFF Tracking #: TRIP-131594000      State Tracking #: TRIP-131594000      Company Tracking #: PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...

State: Virginia      Filing Company: Principal Life Insurance Company  
TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
Product Name: FR 142, FR 601  
Project Name/Number: /

Supporting Document Schedule Item Changes	
Satisfied - Item:	Notes to Filer Response 12-30-2019
Comments:	
Attachment(s):	Principal VA_Group_Response to 20191218 objection_20191230.pdf
Satisfied - Item:	John Doe Policyholder Notification Letters
Comments:	
Attachment(s):	John Doe PFGP-VA-0718.pdf John Doe PFGOEF-VA-0718.pdf John Doe PFGN-VA-0718.pdf John Doe PFGCNF-VA-0718.pdf

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Amendment Letter

Submitted Date: 12/17/2019

Comments:  
 Please see the revised Form PFGP-VA-0718 on the Form Schedule Tab. The form number was incorrectly shown as PFGP-VA-0918 it should be PFGP-VA-0718. I apologize for any inconvenience. Thank you for your continued review of this filing.

Changed Items:

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/17/2019 By:
<i>Previous Version</i>								
1	PFGP-VA-0918	PFGP-VA-0918	POLA	Initial			PFGP-VA-0718.pdf	Date Submitted: 12/12/2019 By: Beverly Toomey
<i>Previous Version</i>								
1	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			VA Principal Group PLTC PH Letter 7.18.18.pdf	Date Submitted: 07/26/2018 By: Beverly Toomey

No Rate Schedule Items Changed.

No Supporting Documents Changed.

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Note To Filer

**Created By:**

Bill Dismore on 08/27/2020 02:37 PM

**Last Edited By:**

Bill Dismore

**Submitted On:**

08/27/2020 02:38 PM

**Subject:**

Follow up to 7/24/2020 Objection

**Comments:**

Beverly,

Please make sure that the forms under the Form Schedule tab are updated to be consistent with the forms PFGP-VA-0718 and PFGOEF-VA-0718, you recently updated under SERFF TRIP-131593732 .

Also, please update the Statement of Variability, Readability Certification and the John Doe version of the forms PFGP-VA-0718 and PFGOEF-VA-0718 as you did under TRIP-131593732.

This will be your response to the outstanding objection.

Let me know if you have any questions.

Kind regards,

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**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Note To Reviewer

**Created By:**

Beverly Toomey on 08/26/2020 03:44 PM

**Last Edited By:**

Beverly Toomey

**Submitted On:**

08/26/2020 03:52 PM

**Subject:**

Follow-up to 07-24-2020 objection

**Comments:**

Per your 7/24/2020 objection you stated that this filing is pending until the policyholder notification forms filed under SERFF #TRIP-131593732 are ready for approval and until the BOI notifies the company the policyholder notification forms are ready for approval. We have submitted the notification forms today under SERFF #TRIP-131593732 . Please let me know if you want the notification forms to also be attached to this filing to comply with the 8/31 response date. Thank you for your continued review of this filing.

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**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Note To Filer

**Created By:**

Bill Dismore on 12/18/2019 12:39 PM

**Last Edited By:**

Bill Dismore

**Submitted On:**

04/02/2020 10:44 AM

**Subject:**

John Doe Policyholder Letter

**Comments:**

The Virginia Bureau of Insurance has reviewed the Company's objection responses of 12/11/2019. We have one outstanding question regarding the Company's response to Objection #5 in their 12/11/2019 objection letter response. Once that issue is addressed, please submit a John Doe policyholder notification package under the Supporting Documentation tab so that we may continue our review.

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Note To Filer

**Created By:**

Bill Dismore on 12/18/2019 10:33 AM

**Last Edited By:**

Bill Dismore

**Submitted On:**

04/02/2020 10:44 AM

**Subject:**

Response to Objection #5 of 12/12/2019 Objection Response Letter

**Comments:**

The response states, "The policy does not provide a Contingent Non-Forfeiture Benefit. The Company is offering a Contingent Benefit Upon Lapse to insureds that trigger a substantial rate increase."

Please explain why the letter mentions "Contingent Non-Forfeiture Benefit" instead of Contingent Benefit Upon Lapse" in light of the Company's response above. The letter should be use "Contingent Benefit Upon Lapse" rather than "Contingent Non-Forfeiture Benefit".

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**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Reviewer Note

**Created By:**

Bill Dismore on 11/22/2019 12:28 PM

**Last Edited By:**

Bill Dismore

**Submitted On:**

12/16/2019 12:20 PM

**Subject:**

Actuarial Review - Final Summary Report

**Comments:**

4/19/2019 - Received ARC Summary Report. While Company has actuarially justified their rate increase request, the forms have been issued for over 20 years with no prior rate increase considered in spite of industry knowledge that original assumptions were insufficient. BOI also concerned that due to the maturity of the block, the few remaining policyholders would unfairly assume the burden for a large rate increase.

April 18, 2019

Life and Health Division  
Bureau of Insurance  
State Corporation Commission  
P. O. Box 1157  
Richmond, VA 23218

Subject: **SERFF Tracking #TRIP-131594000**

At the request of the Virginia SCC Bureau of Insurance (the “Bureau”), I have reviewed the filing for the above captioned submission from **Principal Life Insurance Company** (the “Company”). This is a rate increase filing for a block of Long Term Care policies.

### **Recommendation**

My review of this filing was performed according to the provisions of 14VAC5-200-150 and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, “Long-Term Care Insurance” and Actuarial Standard of Practice No. 8, “Regulatory Filings for Rates and Financial Projections for Health Plans”. After review of the Company’s submission, I believe that the Company has demonstrated that the filing is in compliance with all applicable regulations and standards. Based solely on these considerations, I could recommend that the Bureau approve the proposed rates.

### Other Considerations

The main factor that would give me pause, and which the Bureau may want to consider, is that these contracts were issued over 20 years ago and this is the first rate increase requested in Virginia. Additionally, there are only 5 contracts remaining in Virginia and over 90% of the present value of premium has already been collected. Given these considerations, I would recommend that the Bureau ask the Company to reduce the magnitude of the increases.

### **Background**

This is a filing for a group long-term care policy form pursuant to the requirements of 14VAC5-200-150. There are 5 policies in Virginia with \$1,417 annualized premium issued from 1989 to 1999.

There have been no prior rate increases on this form in Virginia. The Company is requesting the increases shown below:

<b>Benefit Period</b>	<b>Increase</b>	<b>Total</b>
Limited	20% for 3 years	73%
Lifetime	31% for 3 years	125%
<b>Average</b>		<b>118%</b>

## **Analysis**

My approach was to a) review the submitted filing materials, b) check the filing contents and assumptions for compliance with all relevant regulations, c) verify the calculations in the supplied exhibits, d) review the projections for reasonableness, and e) analyze the current increase and cumulative increase in Virginia relative to other states.

Requests were sent to the Company for additional information and the Company's responses clarified issues which arose during the course of my review. The Bureau was involved in all correspondence with the Company.

### Assumptions

The assumptions used in the filing are best-estimate and do not reflect moderately adverse conditions.

The interest assumption of 5.22% is, according to the Company, the weighted average of the maximum valuation interest rate for contract reserves, which is in accordance with the requirements of 14VAC5-200-150.B. The Company originally priced with a 7.5% interest rate and is now assuming 5.0% on investments.

For mortality, the 1994 GAM Static with selection factors and improvement was assumed. The original assumptions were based on 1980 CSO Basic Tables and did not include selection or improvement.

The lapse rates vary by issue age and duration, with the duration 12+ assumption of 1.0%. Original assumptions had an ultimate rate of 2.0%. In addition, the Company assumes CBUL election of 8% of the policies and RBO of 20%.

The morbidity assumptions were based on the Milliman LTCGs with adjustments based on duration, age and coverage type to reflect historical experience of the Company. Adverse selection relative to CBUL is assumed to be 9% in yr 1, 6% in yr 2, and 3% thereafter. The original assumptions were based on the Milliman LTC database in use at the time, which were based on a variety of public and proprietary sources.

### Attribution Analysis

The Company provided projections showing that lapse and mortality were the key drivers of the increase in the lifetime loss ratio when each assumption was assessed individually.

## Traditional Loss Ratios

Benefit Period	Original LR	No Increase			With Increase			From Inception
		Future	Fut/ALR	Lifetime	Future	Fut/ALR	Lifetime	
Limited	52%	522%	218%	80%	306%	128%	77%	46%
Lifetime	77%	862%	393%	141%	384%	175%	123%	63%
Total	70%	828%	376%	127%	378%	171%	114%	60%

Note that these traditional loss ratios are presented for informational purposes only since they are not required by 14VAC5-200-150.

## Rate Stability Test

The results of the 60/75 test prescribed by 14VAC5-200-150.B. are shown below.

Benefit Period	Test	Required Claims	Projected Claims	P/F
Limited	60/75	11,745,821	15,010,593	PASS
Lifetime	77/75	57,302,785	92,315,723	PASS
Total	70/75	66,335,004	107,326,317	PASS

## PV of Future Loss Test

The goal of this test is to ensure that, when looking only into the future, the company is not in a better position financially than if the assumptions were to play out according to original assumptions (except for interest). This is done by calculating the present value of the future expected loss under original assumptions and comparing that to the current assumptions with and without the proposed premium action. For this filing, the loss is greater under the current assumptions than original assumptions, so this test would not limit the increase.

Benefit Period	Original	Current	Proposed
Limited	-1.7M	-3.6M	-3.0M
Lifetime	-16.0M	-58.3M	-48.8M
Total	-17.6M	-61.9M	-51.7M

## Reliance and Qualifications

I am providing this letter to the Bureau as the sole intended user. The scope of the review relates only to compliance with applicable laws and regulations relating to the actuarial aspects of the filing under consideration, and the intended purpose is to communicate my findings regarding this filing. Distribution of this letter to parties other than the Bureau by me or any other party does not constitute advice by me to those parties. The reliance

of parties other than the Bureau on any aspect of this work is not authorized by me and is done at their own risk.

In arriving at my opinion, I used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, my findings and conclusions may need to be revised. While I have relied on the data provided without independent investigation or verification, I have reviewed the data for consistency and reasonableness. In the event that I found the data inconsistent or unreasonable, I have requested clarification.

I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion. I am responsible for this work and have utilized generally accepted actuarial methodologies in arriving at my opinion.

If you have any questions regarding this filing, please contact me to discuss.

Sincerely,



Shawn D. Parks, FSA, MAAA

**State:** Virginia  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Reviewer Note

**Created By:**

Bill Dismore on 10/17/2019 01:42 PM

**Last Edited By:**

Bill Dismore

**Submitted On:**

12/16/2019 12:21 PM

**Subject:**

Rate Increase Proposal

**Comments:**

Proposed a 20% one-time increase for plans with Limited Benefits and a 31% increase for plans with Lifetime Benefits with Todd Moltumyr, actuary representing the rate proposal. He agreed to take the offer to the Company for approval. The decreased offer was based on the following factors:

- 90% of premium earned on block. 5 VA policyholders.
- Block is 20+ years old and this is the first rate increase request (MedAmerica is 100% reinsurer and acquired from Principal)
- Both 2016 and 2017 LTC Annual Reports cite rates as insufficient - no rate filing until this one. (Previous rate filing in 2016 was DISAPPROVED due to Company's non-response to objections.
- Any increase will have minimal, if any effect on the Lifetime Loss Ratio.

State: Virginia

Filing Company: Principal Life Insurance Company

TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified

Product Name: FR 142, FR 601

Project Name/Number: /

## Reviewer Note

**Created By:**

Bill Dismore on 02/14/2019 10:03 AM

**Last Edited By:**

Bill Dismore

**Submitted On:**

09/03/2020 11:28 AM

**Subject:**

RRS

**Comments:**

Rate Review Summary - updated on 11/20/2019

Health Insurance Rate Request Summary  
Part 1 – To Be Completed By Company

Reset Form

Company Name and NAIC Number: Principal Life Insurance Company - NAIC 61271

SERFF Tracking Number: TRIP-131594000

Effective Date: This rate increase will apply to policies on their next premium

(Projected) Number of Insureds Affected: 5

New Rates  
Average Annual Premium Per Member: N/A

Revised Rates  
Average Annual Premium Per Member: 367

Average Requested Percentage Rate Change Per Member: 29.5%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 31%

Plans Affected  
(The Form Number and "Product Name")

Form#	"Product Name"(if applicable)
FR 142 FR 601	PrinCare Long-Term Care Certificate (LTC I) Long Term Care Insurance for the Principal Financial Group Certificate (PLTC)

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

**Health Insurance Rate Request Summary**  
**Summary of Key Information**

Rates are being increased on all certificates issued under these policy forms to offset anticipated claims that are higher than originally expected. This is due in part to individuals living longer and keeping their certificates longer, which resulted in more claims being filed than anticipated when these policies were originally priced. As a result, premiums need to be adjusted to aid in the funding to pay current and anticipated future claims. This premium increase is designed to offset some of these anticipated increased costs, and in no way reflects on the integrity of an individual's certificate, nor is it based on an individual's claim history, current age, health status, or any other personal factors.

As required, we have filed our request for this premium increase with the Virginia Bureau of Insurance (Bureau) and included the necessary actuarial data requested by the Bureau to support the increase.

## **Long Term Care Insurance Rate Request Summary Part 2 –To Be Completed by Bureau of Insurance**

Company Name and NAIC Number: Principal Life Insurance Company – 61271

SERFF Tracking Number: TRIP-131594000

Disposition: Approved

Approval Date: 9/03/2020

### **Revised Rates**

Average Annual Premium Per Member: \$367

Average Requested Percentage Rate Change Per Member: 29.5%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 31%

Number of Policy Holders Affected: 5

### **Summary of the Bureau of Insurance's review of the rate request:**

The Company requested, and the Bureau approved a rate increase of 20% for policies with a Limited Benefit Period and 31% for policies with a Lifetime Benefit Period for this block of individual long-term care insurance policy forms.

The filing was reviewed by the Bureau's consulting actuary and determined to comply with the requirements for a rate increase set forth in 14VAC5-200-150 of the Virginia Administrative Code for policies issued prior to October 1, 2003. The review indicated that the anticipated loss ratio, reflecting claims payout, will be 114% with the increase, which exceeds the minimum required loss ratio of 60%.

The Company has advised that premiums are subject to future rate increases but any future rate increase is subject to review and approval from the Virginia Bureau of Insurance.

The primary reasons for the rate increase are that policyholders are living longer and keeping their policies in force longer, which has resulted in more claims being filed than the Company anticipated when the policy was originally priced. The Company determined that a premium increase is necessary to reflect that future claims are expected to be significantly higher on these policies than originally expected or priced and to ensure that sufficient funds are available to pay claims.

The Company is offering all policyholders options to reduce the premium increase by reducing their coverage. These reductions could be in the form of lower daily benefits, a shorter benefit period, a longer elimination

period, the termination of riders or any combination of these reductions, or a paid-up policy. Specific options are included in the letter sent to all policyholders notifying them of the rate increase and can be discussed with the Company by calling its customer service department.

The filing can be reviewed on the Bureau's webpage under the Rate/Policy Form Search at:  
<https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>

**State:** Virginia **Filing Company:** Principal Life Insurance Company  
**TOI/Sub-TOI:** LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
**Product Name:** FR 142, FR 601  
**Project Name/Number:** /

## Post Submission Update Request Processed On 11/20/2019

**Status:** Allowed  
**Created By:** Dave Krydynski  
**Processed By:** Bill Dismore  
**Comments:**

### Company Rate Information:

Company Name:Principal Life Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	29.480%	117.622%
Overall % Rate Impact	29.480%	117.622%
Written Premium Change for this Program	\$418	\$1667
Maximum %Change (where required)	31.000%	124.809%
Minimum %Change (where required)	20.000%	72.800%

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Form Schedule

Lead Form Number:								
Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1	Withdrawn 12/17/2019	Withdrawn	PFGN-VA-0718	POLA	Initial			
2	Withdrawn 12/17/2019	Withdrawn	PFGCNF-VA-0718	POLA	Initial			
3	Approved 09/03/2020	PFGP-VA-0718	PFGP-VA-0718	POLA	Initial			PFGP-VA-0718.pdf
4	Approved 09/03/2020	PFGOEF-VA-0718	PFGOEF-VA-0718	POLA	Initial			PFGOEF-VA-0718.pdf

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NAP</b>	Network Access Plan
<b>NOC</b>	Notice of Coverage	<b>OTH</b>	Other
<b>OUT</b>	Outline of Coverage	<b>PJK</b>	Policy Jacket
<b>POL</b>	Policy/Contract/Fraternal Certificate	<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider
<b>PRC</b>	Provider Contract/Provider Addendum/Provider Leading Agreement	<b>PRD</b>	Provider Directory

<<LOGO>>

Principal Life Insurance Company

**Time-Sensitive! Review Options and Make Your Decision**

**RE: Your Long Term Care Insurance**

**Notice of Premium Increase — Please Read & Retain for Your Records**

<<FIRST\_NAME>> <<LAST\_NAME>>

<<DATE>>

<<STREET\_ADDRESS1>>

Billing Account ID: <<POLICY\_NUMBER>>

<<STREET\_ADDRESS2>>

<<CITY>> <<STATE>> <<ZIP>>

Dear <<SALUTATION LAST\_NAME>>:

We are writing to notify you that we have filed a premium increase of <<INC\_AMT>> with the Virginia Bureau of Insurance. <<REASON\_FOR\_RATE\_INCREASE>> This premium change is based on the overall experience of all contracts in your class and has nothing to do with your current age, health status, claims history or any other personal factors. This increase applies to all insureds who have the same policy form as you, regardless of the effective date of coverage.

The following chart represents the upcoming change to your premium.

Your Current Premium	New Premium	Percentage of Increase	Increase Effective Date
As of <<DATE>>, <<CURRENT_RATE>> <<MODAL>>	<<FUTURE_RATE>> <<MODAL>>	<<INC_AMT>>	<<NEXT_BILL_DATE>>

**We understand this premium increase may affect your ability to afford your current level of benefits. Please review the options regarding your coverage that are outlined below, and make the decision that best meets your needs. We urge you to consult with your insurance and financial advisors prior to making a decision, as accepting the rate increase may be in your best interest.**

**All options may not be of equal value.**

- **Option #1: Continue your coverage at your current level of benefits.** You may keep your current level of benefits by paying the increased premium when it is due on <<NEXT\_BILL\_DATE>>. If you choose this option, no additional action, other than your premium payment, is required. Please understand that paying the increased premium for coverage through 120 days from the date of the rate increase constitutes your acceptance of the rate increase and voids the offer of the Contingent Benefit Upon Lapse outlined in Option #3 below.
- **Option #2: Offset the increased premium by reducing your level of benefits.**
  - a) You may avoid the premium increase described in this letter by choosing to reduce your unlimited lifetime benefit to a three-year maximum benefit. If you choose this option:
    - i. Your current premium will remain the same over at least the next three years;
    - ii. Your Total Lifetime Benefit will be equivalent to your Daily Benefit multiplied by 1,095;

<<LOGO>>

**Principal Life Insurance Company**

- iii. Your Daily Benefit Increase percentage will be applied to your remaining Total Lifetime Benefit on each Plan Anniversary in which you are entitled to receive the Increase, per the terms of your coverage;
- iv. Your future premiums are not guaranteed and are subject to future increases; and
- v. Your coverage will terminate when your Total Lifetime Benefit has been exhausted, or when you trigger one of the other termination provisions in your coverage.

If you elect this alternative, check the Option #2a box on the enclosed Option Election Form and return the signed and dated form in the enclosed postage-paid envelope.

- b) You **may** be able to make other adjustments to your benefits to reduce your premium. Options to reduce your benefits include, but are not limited to, increasing your Elimination Period, reducing your Daily Benefit, and/or dropping riders. Please understand that this option is not always available as you may have selected the state-mandated minimum benefits allowable for long term care insurance. Please call Customer Service toll-free at <<CS\_PHONE>> to discuss your options.

- **Option #3: Elect the reduced Contingent Benefit Upon Lapse.**

If you elect the Contingent Benefit Upon Lapse option, no further premium is due. This option becomes effective as of your current paid through date. As of the date of this letter, your Contingent Benefit Upon Lapse would be <<RESULT\_OF\_CNF\_FORMULA>>.

There are two ways to elect the Contingent Benefit Upon Lapse:

- Choose this option today by signing and dating the enclosed Option Election Form and returning it in the enclosed postage-paid envelope; OR
- If you do not pay the increased premium **within 120 days of the due date**, which is <<NEXT\_BILL\_DATE>>, you will be entitled to the Contingent Benefit Upon Lapse. We will automatically change your coverage to the Contingent Benefit Upon Lapse in lieu of your policy lapsing for non-payment of premium.

**IMPORTANT:** Paying the increased premium for coverage through 120 days from

<<NEXT\_BILL\_DATE>>, constitutes your acceptance of the rate increase and voids the Contingent Benefit Upon Lapse offer.

**What is the Contingent Benefit Upon Lapse?**

**The Contingent Benefit Upon Lapse Option** allows you to retain reduced long term care insurance benefits in the event you can no longer afford your premium due to a substantial premium increase. Under this option, the same Daily Benefit amounts in effect at the time of lapse will be payable, but the Total Lifetime Benefit will be equal to the greater of the items a) or b) below:

- a) The total amount of premiums paid and applied to Your Policy; **OR**
- b) Thirty (30) times the Daily Benefit

The total of all benefits paid under your policy will not exceed the Total Lifetime Benefit that would have been payable if your policy did not lapse.

Important facts to know about this reduced benefit are:

<<LOGO>>

**Principal Life Insurance Company**

- No future premium is due.
- The Total Lifetime Benefit is significantly less than the benefit provided if you choose to continue paying your premium.
- All riders and inflation options, including the Return of Premium Death Benefit Rider or the Return of Premium Benefit Rider, will be terminated.
- All other terms, conditions, limitations and exclusions in your current coverage apply to the Contingent Benefit Upon Lapse.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at <https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>.

Please be advised that premiums are subject to future rate increases. If future rate increases are requested and approved, we will offer you options similar to those in this letter.

If you have questions on the above options, please call Customer Service toll free at <<CS\_PHONE>>.

**At any time, you may request a Summary of Benefits, with your new premium rate, by contacting Customer Service.**

If you are currently on claim and your premium is being waived, the increase will be applied when your premium is no longer being waived. Please be assured that your benefits are not affected and that your claims will continue to be paid.

As always, thank you for your business with the company.

Sincerely,

<<OFFICER\_SIGNATURE>>

<<OFFICER\_NAME>>

<<OFFICER\_TITLE>>

On behalf of Principal Life Insurance Company

Enclosures: Option Election Form; Postage-Paid Return Envelope

<<LOGO>>

**Principal Life Insurance Company**

**Option Election Form**

<<FIRST\_NAME>> <<LAST\_NAME>>

<<DATE>>

<<STREET\_ADDRESS1>>

Billing Account ID: <<POLICY\_NUMBER>>

<<STREET\_ADDRESS2>>

<<CITY>> <<STATE>> <<ZIP>>

**CHOOSE ONLY ONE OF THE OPTIONS BELOW:**

- Option #2a: Offset the increased premium by choosing the benefit reduction option below:**

I elect to reduce my unlimited lifetime benefit to a three-year maximum benefit and continue paying my current premium amount. I understand the following:

- My Total Lifetime Benefit will be equivalent to my Daily Benefit multiplied by 1,095;
- My Daily Benefit Increase percentage will be applied to my remaining Total Lifetime Benefit on each Plan Anniversary in which I am entitled to receive the increase, per the terms of my coverage.

- Option #3: Elect the reduced Contingent Benefit Upon Lapse.**

I have decided to stop future premium payments and accept the reduced Contingent Benefit Upon Lapse. I understand the following:

- No future premium is due; and
- I will have a reduced Total Lifetime Benefit equal to the sum of premiums paid and applied to date, **OR** 30 times the current Daily Benefit, whichever is greater; and
- The Contingent Benefit Upon Lapse is significantly less than the benefit provided if I chose to pay the increased premium to maintain my current coverage, or chose Option #2a; and
- The Contingent Benefit Upon Lapse is only available if I satisfy the requirements for Benefit Eligibility as defined in my policy or certificate; and
- The Contingent Benefit Upon Lapse will be payable up to my current Daily Benefit in effect on the date of this change; and
- All riders and inflation options, including the Return of Premium Death Benefit Rider or the Return of Premium Benefit Rider, will be terminated; and
- All other terms, conditions, limitations and exclusions in my current coverage apply to the Contingent Benefit Upon Lapse.

Signature:

I request my long term care insurance coverage be changed to the option selected above. The option selected becomes effective as of my current paid through date. A summary of benefits will be sent to me when this request is processed.

---

**Signature**

**Date**

Mailing Instructions: Sign and date this form and return in the enclosed postage-paid envelope.

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

### Rate Information

Rate data applies to filing.

Filing Method:  
 Rate Change Type: %  
 Overall Percentage of Last Rate Revision: 0.000%  
 Effective Date of Last Rate Revision:  
 Filing Method of Last Filing:  
 SERFF Tracking Number of Last Filing:

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Principal Life Insurance Company	29.480%	29.480%	\$418	5	\$1,417	31.000%	20.000%

State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		2018 LTC Rates	FR 142, FR 601	Revised	Previous State Filing Number: Percent Rate Change Request: 28.48	Principal VA Group LTC 1_Form FR 142_Approved Rates_20191120.pdf, Principal VA Group PLTC_Form FR 601_Approved Rates_20191120.pdf,

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: None

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>3 Years</u>	<u>3 Years</u>	<u>3 Years</u>

Issue Age

20	0.95	0.94	0.92
21	0.97	0.96	0.95
22	1.01	0.98	0.97
23	1.03	1.01	1.00
24	1.06	1.03	1.02
25	1.08	1.06	1.03
26	1.10	1.08	1.06
27	1.13	1.10	1.08
28	1.16	1.13	1.12
29	1.19	1.16	1.14
30	1.22	1.20	1.18
31	1.27	1.24	1.21
32	1.32	1.28	1.26
33	1.38	1.34	1.31
34	1.44	1.39	1.37
35	1.50	1.46	1.43
36	1.57	1.52	1.49
37	1.66	1.61	1.56
38	1.74	1.68	1.64
39	1.84	1.78	1.73
40	1.93	1.87	1.82
41	2.05	1.99	1.93
42	2.18	2.11	2.05
43	2.32	2.24	2.18
44	2.47	2.39	2.33
45	2.64	2.54	2.48
46	2.82	2.72	2.64
47	3.01	2.90	2.82
48	3.22	3.11	3.01
49	3.46	3.32	3.23
50	3.71	3.56	3.46
51	4.00	3.84	3.73
52	4.31	4.14	4.02
53	4.67	4.48	4.08
54	5.05	4.85	4.14
55	5.51	4.98	4.22
56	6.00	5.50	4.72
57	6.56	5.99	5.17
58	7.22	6.64	5.64
59	7.94	7.16	6.06
60	8.75	7.87	6.82
61	9.60	8.45	7.43
62	10.09	8.77	7.63
63	11.04	9.68	8.51
64	11.94	10.37	8.99
65	12.68	11.17	9.86
66	13.52	11.81	10.32
67	14.82	12.90	11.22
68	16.24	14.29	12.61
69	17.83	15.52	13.50
70	19.30	16.80	14.62
71	20.83	18.16	15.80
72	22.38	19.50	17.02
73	24.38	21.35	18.73
74	26.41	23.14	20.30
75	28.86	25.12	21.89
76	34.80	30.76	27.24
77	41.84	37.60	34.00
78	48.55	44.04	40.20
79	55.87	51.34	47.59
80	68.24	65.20	62.88

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 10% Simple - Every 3 Years for 15 Years

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 Years</u>	<u>3 Years</u>	<u>3 Years</u>
<u>Issue Age</u>			
20	1.04	1.02	1.01
21	1.08	1.06	1.04
22	1.10	1.09	1.07
23	1.14	1.12	1.09
24	1.18	1.15	1.13
25	1.21	1.18	1.15
26	1.24	1.21	1.19
27	1.28	1.25	1.22
28	1.32	1.30	1.26
29	1.37	1.33	1.31
30	1.43	1.38	1.36
31	1.48	1.44	1.40
32	1.55	1.50	1.46
33	1.62	1.57	1.54
34	1.70	1.66	1.61
35	1.79	1.74	1.69
36	1.88	1.82	1.78
37	1.99	1.92	1.87
38	2.10	2.04	1.98
39	2.23	2.16	2.10
40	2.36	2.29	2.22
41	2.52	2.44	2.36
42	2.69	2.59	2.52
43	2.88	2.77	2.70
44	3.07	2.96	2.88
45	3.29	3.17	3.08
46	3.53	3.40	3.30
47	3.78	3.64	3.53
48	4.06	3.90	3.78
49	4.36	4.19	4.06
50	4.69	4.50	4.37
51	5.06	4.86	4.72
52	5.47	5.26	5.09
53	5.93	5.69	5.16
54	6.42	6.16	5.26
55	6.98	6.31	5.34
56	7.60	6.95	5.96
57	8.28	7.55	6.52
58	9.05	8.32	7.07
59	9.89	8.92	7.54
60	10.80	9.71	8.41
61	11.78	10.36	9.11
62	12.31	10.69	9.29
63	13.37	11.71	10.28
64	14.34	12.44	10.79
65	15.13	13.32	11.76
66	15.96	13.94	12.19
67	17.28	15.05	13.10
68	18.76	16.49	14.54
69	20.40	17.74	15.42
70	21.84	19.02	16.56
71	23.34	20.33	17.71
72	24.88	21.66	18.89
73	26.88	23.52	20.63
74	28.90	25.28	22.19
75	31.33	27.26	23.76
76	37.50	33.13	29.35
77	44.81	40.24	36.37
78	51.64	46.81	42.72
79	59.04	54.22	50.26
80	71.70	68.46	66.01

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: None

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>5 Years</u>	<u>5 Years</u>	<u>5 Years</u>

Issue Age

20	1.06	1.03	1.02
21	1.09	1.07	1.06
22	1.13	1.10	1.08
23	1.15	1.13	1.12
24	1.19	1.16	1.14
25	1.22	1.19	1.18
26	1.25	1.22	1.20
27	1.28	1.26	1.24
28	1.33	1.30	1.27
29	1.38	1.34	1.32
30	1.43	1.39	1.36
31	1.48	1.44	1.42
32	1.55	1.50	1.46
33	1.62	1.57	1.54
34	1.70	1.66	1.62
35	1.79	1.74	1.69
36	1.88	1.82	1.79
37	1.99	1.93	1.88
38	2.11	2.04	1.99
39	2.23	2.17	2.11
40	2.38	2.30	2.24
41	2.53	2.46	2.40
42	2.71	2.63	2.56
43	2.90	2.81	2.74
44	3.11	3.01	2.93
45	3.34	3.23	3.14
46	3.58	3.46	3.36
47	3.83	3.71	3.60
48	4.12	3.97	3.86
49	4.43	4.27	4.15
50	4.76	4.60	4.46
51	5.16	4.98	4.82
52	5.58	5.38	5.22
53	6.05	5.83	5.32
54	6.58	6.34	5.42
55	7.18	6.52	5.53
56	7.85	7.21	6.20
57	8.62	7.88	6.82
58	9.49	8.75	7.45
59	10.44	9.46	8.00
60	11.51	10.38	9.01
61	12.66	11.17	9.84
62	13.34	11.64	10.13
63	14.63	12.86	11.32
64	15.84	13.80	11.98
65	16.81	14.87	13.16
66	17.93	15.72	13.76
67	19.67	17.20	14.98
68	21.67	19.14	16.90
69	23.84	20.83	18.16
70	25.84	22.58	19.68
71	27.97	24.44	21.30
72	30.17	26.35	22.99
73	32.95	28.93	25.39
74	35.75	31.39	27.58
75	39.12	34.14	29.76
76	47.32	41.89	37.10
77	57.16	51.43	46.48
78	66.78	60.65	55.31
79	77.41	71.18	65.92
80	95.29	91.07	87.67

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 10% Simple - Every 3 Years for 15 Years

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>5 Years</u>	<u>5 Years</u>	<u>5 Years</u>
<u>Issue Age</u>			
20	1.18	1.15	1.14
21	1.22	1.20	1.18
22	1.26	1.24	1.21
23	1.31	1.28	1.26
24	1.34	1.32	1.30
25	1.39	1.36	1.33
26	1.44	1.40	1.38
27	1.49	1.45	1.43
28	1.55	1.51	1.48
29	1.62	1.57	1.54
30	1.68	1.63	1.60
31	1.76	1.72	1.67
32	1.85	1.80	1.75
33	1.94	1.90	1.85
34	2.05	1.99	1.94
35	2.17	2.11	2.05
36	2.30	2.23	2.17
37	2.45	2.36	2.30
38	2.60	2.52	2.45
39	2.77	2.69	2.62
40	2.96	2.87	2.78
41	3.17	3.07	2.99
42	3.40	3.29	3.19
43	3.65	3.53	3.43
44	3.92	3.79	3.68
45	4.21	4.07	3.96
46	4.54	4.38	4.25
47	4.87	4.70	4.57
48	5.24	5.06	4.91
49	5.65	5.45	5.29
50	6.10	5.88	5.70
51	6.60	6.36	6.17
52	7.15	6.89	6.67
53	7.76	7.48	6.80
54	8.42	8.11	6.92
55	9.17	8.33	7.06
56	9.97	9.17	7.88
57	10.88	9.96	8.62
58	11.93	10.98	9.35
59	13.07	11.82	10.00
60	14.30	12.90	11.18
61	15.64	13.79	12.13
62	16.38	14.28	12.41
63	17.77	15.64	13.75
64	19.06	16.61	14.42
65	20.09	17.76	15.71
66	21.24	18.61	16.30
67	23.05	20.16	17.57
68	25.06	22.13	19.55
69	27.31	23.84	20.76
70	29.34	25.63	22.32
71	31.50	27.50	23.95
72	33.67	29.41	25.63
73	36.44	31.98	28.06
74	39.24	34.44	30.23
75	42.65	37.20	32.40
76	51.23	45.34	40.13
77	61.48	55.28	49.94
78	71.33	64.74	59.00
79	82.14	75.49	69.86
80	100.51	96.00	92.39

**Principal Life Insurance Company**  
**Actuarial Memorandum**  
**Policy Form FR 142**

**Modal Factors**

<b>Payment Mode</b>	<b>Factors</b>
Monthly	1.00
Quarterly	3.00
Semi-Annual	5.86
Annual	11.43

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 601  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Ride No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	1.91	1.78	1.68	61	19.47	17.11	15.01
22	1.97	1.82	1.72	62	20.97	18.44	16.18
23	2.00	1.87	1.76	63	22.61	19.90	17.44
24	2.06	1.91	1.78	64	24.39	21.44	18.80
25	2.11	1.95	1.82	65	26.29	23.13	20.27
26	2.15	1.99	1.86	66	26.63	23.50	20.50
27	2.21	2.04	1.90	67	27.52	24.17	20.87
28	2.27	2.10	1.94	68	28.54	25.06	21.59
29	2.33	2.15	1.99	69	29.59	26.10	22.66
30	2.49	2.29	2.12	70	30.99	27.30	23.93
31	2.57	2.36	2.17	71	33.38	29.41	25.78
32	2.66	2.42	2.24	72	36.01	31.74	27.81
33	2.78	2.54	2.33	73	38.92	34.31	30.06
34	2.92	2.66	2.44	74	42.10	37.11	32.51
35	3.07	2.79	2.54	75	45.48	40.10	35.11
36	3.24	2.93	2.67	76	48.98	43.18	37.79
37	3.42	3.08	2.80	77	52.52	46.28	40.48
38	3.62	3.25	2.95	78	55.99	49.31	43.09
39	3.83	3.45	3.10	79	59.26	52.15	45.54
40	4.05	3.64	3.29	80	62.15	54.61	47.64
41	4.32	3.88	3.48	81	67.94	58.42	50.73
42	4.61	4.11	3.69	82	72.28	62.42	53.73
43	4.91	4.38	3.92	83	77.25	66.77	57.09
44	5.23	4.65	4.15	84	82.02	71.45	60.73
45	5.58	4.96	4.43	85	87.17	76.43	64.67
46	5.97	5.31	4.72	86	92.29	81.70	68.92
47	6.39	5.67	5.04	87	97.27	87.27	73.48
48	6.86	6.08	5.38	88	102.20	93.13	78.34
49	7.39	6.54	5.78	89	107.27	99.27	83.51
50	8.02	7.09	6.27	90	112.50	105.70	89.00
51	8.65	7.64	6.76	91	117.90	112.43	95.81
52	9.31	8.23	7.27	92	123.47	119.47	102.94
53	10.05	8.87	7.82	93	129.30	126.83	110.40
54	10.82	9.55	8.42	94	135.40	134.53	118.20
55	11.67	10.28	9.07	95	141.77	142.58	126.35
56	12.97	11.41	10.03	96	148.50	150.99	134.86
57	13.96	12.29	10.79	97	155.60	159.77	143.74
58	15.04	13.23	11.62	98	163.07	168.93	152.99
59	16.20	14.25	12.51	99	170.92	178.47	162.62
60	17.48	15.37	13.48	100	179.15	188.40	172.64

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 601  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Ride No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	2.07	1.93	1.79	61	21.52	18.93	16.60
22	2.14	1.98	1.85	62	22.69	19.95	17.49
23	2.21	2.03	1.89	63	23.93	21.05	18.44
24	2.27	2.10	1.94	64	25.27	22.23	19.47
25	2.34	2.16	2.00	65	26.71	23.49	20.58
26	2.41	2.21	2.06	66	26.63	23.50	20.50
27	2.48	2.28	2.11	67	27.52	24.17	20.87
28	2.57	2.34	2.16	68	28.54	25.06	21.59
29	2.65	2.42	2.21	69	29.59	26.10	22.66
30	2.87	2.61	2.40	70	30.99	27.30	23.93
31	2.97	2.71	2.48	71	33.38	29.41	25.78
32	3.09	2.80	2.57	72	36.01	31.74	27.81
33	3.26	2.96	2.69	73	38.92	34.31	30.06
34	3.45	3.10	2.83	74	42.10	37.11	32.51
35	3.63	3.28	2.97	75	45.48	40.10	35.11
36	3.84	3.46	3.13	76	48.98	43.18	37.79
37	4.07	3.65	3.30	77	52.52	46.28	40.48
38	4.32	3.88	3.50	78	55.99	49.31	43.09
39	4.60	4.11	3.69	79	59.26	52.15	45.54
40	4.90	4.36	3.92	80	62.15	54.61	47.64
41	5.24	4.66	4.18	81	67.94	59.28	51.44
42	5.59	4.96	4.44	82	72.28	63.42	55.17
43	5.96	5.29	4.73	83	77.25	68.17	59.70
44	6.38	5.65	5.03	84	82.82	73.55	65.00
45	6.83	6.04	5.37	85	89.00	79.60	71.10
46	7.30	6.47	5.74	86	95.80	86.35	77.95
47	7.82	6.93	6.13	87	103.25	93.85	85.60
48	8.41	7.43	6.56	88	111.40	102.15	94.10
49	9.04	7.98	7.05	89	120.30	111.30	103.40
50	9.79	8.63	7.64	90	130.00	121.35	113.60
51	10.55	9.30	8.21	91	140.55	132.30	124.70
52	11.34	10.01	8.83	92	152.00	144.20	136.70
53	12.21	10.76	9.48	93	164.40	157.10	149.70
54	13.11	11.55	10.18	94	177.80	171.05	163.70
55	14.08	12.41	10.91	95	192.25	186.10	178.70
56	15.60	13.73	12.07	96	207.80	202.30	194.70
57	16.70	14.70	12.90	97	224.50	219.70	211.70
58	17.72	15.60	13.69	98	242.40	238.30	229.70
59	18.68	16.43	14.41	99	261.60	258.10	248.70
60	19.69	17.31	15.18	100	282.10	279.10	268.70

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Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Ride No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	2.16	1.99	1.86	61	21.89	19.01	16.51
22	2.21	2.04	1.90	62	23.55	20.45	17.76
23	2.27	2.08	1.94	63	25.34	22.01	19.10
24	2.32	2.14	1.98	64	27.25	23.68	20.55
25	2.38	2.19	2.02	65	29.32	25.48	22.11
26	2.44	2.23	2.06	66	29.67	25.72	22.40
27	2.52	2.29	2.11	67	30.46	26.53	22.85
28	2.58	2.36	2.15	68	31.49	27.51	23.71
29	2.66	2.41	2.21	69	32.74	28.44	24.82
30	2.83	2.57	2.36	70	34.26	29.84	25.92
31	2.93	2.65	2.42	71	36.78	32.07	27.86
32	3.04	2.74	2.49	72	39.59	34.52	30.00
33	3.18	2.87	2.61	73	42.68	37.23	32.36
34	3.35	3.00	2.72	74	46.06	40.19	34.92
35	3.52	3.16	2.84	75	49.68	43.35	37.66
36	3.72	3.31	2.99	76	53.42	46.61	40.48
37	3.93	3.50	3.13	77	57.22	49.91	43.32
38	4.15	3.69	3.31	78	60.97	53.15	46.10
39	4.40	3.90	3.48	79	64.52	56.20	48.69
40	4.68	4.13	3.68	80	67.64	58.85	50.95
41	4.99	4.41	3.92	81	95.72	82.48	70.74
42	5.31	4.68	4.15	82	105.87	90.97	77.80
43	5.66	4.96	4.40	83	116.73	99.95	85.24
44	6.03	5.29	4.68	84	128.46	109.63	93.21
45	6.43	5.65	4.96	85	140.60	119.55	101.30
46	6.88	6.03	5.31	86	152.76	129.38	109.24
47	7.36	6.45	5.66	87	166.03	139.97	117.74
48	7.91	6.90	6.05	88	179.06	150.20	125.81
49	8.49	7.40	6.48	89	193.95	161.77	134.86
50	9.20	8.02	7.02	90	205.63	170.48	141.44
51	9.90	8.63	7.55	91	218.67	180.13	148.66
52	10.66	9.29	8.11	92	231.92	189.77	155.79
53	11.48	9.98	8.71	93	244.73	198.90	162.39
54	12.35	10.74	9.37	94	258.00	208.19	169.03
55	13.30	11.55	10.07	95	272.51	218.17	176.05
56	14.75	12.81	11.15	96	283.42	226.89	183.09
57	15.85	13.77	11.97	97	296.40	237.29	191.48
58	17.03	14.79	12.86	98	309.28	247.60	199.80
59	18.33	15.92	13.82	99	325.57	260.65	210.32
60	19.72	17.12	14.87	100	337.12	269.89	217.79

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Indexing: 5% Compound until age 80 or 300%  
 ROP Ride No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	2.36	2.16	1.99	61	24.14	20.97	18.21
22	2.44	2.21	2.04	62	25.41	22.09	19.17
23	2.52	2.28	2.10	63	26.78	23.27	20.19
24	2.58	2.36	2.16	64	28.22	24.52	21.27
25	2.66	2.42	2.23	65	29.76	25.86	22.44
26	2.74	2.49	2.28	66	29.67	25.72	22.40
27	2.84	2.57	2.34	67	30.46	26.53	22.85
28	2.93	2.65	2.41	68	31.49	27.51	23.71
29	3.03	2.72	2.49	69	32.74	28.44	24.82
30	3.28	2.95	2.67	70	34.26	29.84	25.92
31	3.41	3.05	2.76	71	36.78	32.07	27.86
32	3.55	3.17	2.87	72	39.59	34.52	30.00
33	3.73	3.34	3.01	73	42.68	37.23	32.36
34	3.94	3.51	3.16	74	46.06	40.19	34.92
35	4.18	3.72	3.33	75	49.68	43.35	37.66
36	4.43	3.92	3.50	76	53.42	46.61	40.48
37	4.69	4.15	3.69	77	57.22	49.91	43.32
38	4.98	4.40	3.92	78	60.97	53.15	46.10
39	5.29	4.66	4.14	79	64.52	56.20	48.69
40	5.63	4.95	4.39	80	67.64	58.85	50.95
41	6.04	5.29	4.68	81	95.72	82.48	70.74
42	6.43	5.65	4.96	82	105.87	90.97	77.80
43	6.86	6.01	5.29	83	116.73	99.95	85.24
44	7.34	6.42	5.63	84	128.46	109.63	93.21
45	7.83	6.84	6.00	85	140.60	119.55	101.30
46	8.38	7.32	6.42	86	152.76	129.38	109.24
47	8.97	7.83	6.85	87	166.03	139.97	117.74
48	9.63	8.38	7.34	88	179.06	150.20	125.81
49	10.32	9.00	7.86	89	193.95	161.77	134.86
50	11.16	9.72	8.49	90	205.63	170.48	141.44
51	12.01	10.45	9.13	91	218.67	180.13	148.66
52	12.90	11.23	9.80	92	231.92	189.77	155.79
53	13.85	12.05	10.51	93	244.73	198.90	162.39
54	14.87	12.93	11.27	94	258.00	208.19	169.03
55	15.94	13.86	12.07	95	272.51	218.17	176.05
56	17.63	15.31	13.32	96	283.42	226.89	183.09
57	18.85	16.38	14.23	97	296.40	237.29	191.48
58	19.98	17.36	15.08	98	309.28	247.60	199.80
59	21.03	18.26	15.86	99	325.57	260.65	210.32
60	22.13	19.22	16.69	100	337.12	269.89	217.79

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Indexing: 5% Compound until age 80 or 200%  
 ROP Ride Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.59	1.36	1.18
22	0.01	0.01	0.01	62	1.78	1.55	1.32
23	0.01	0.01	0.01	63	2.02	1.73	1.48
24	0.01	0.01	0.01	64	2.28	1.94	1.65
25	0.01	0.01	0.01	65	2.54	2.16	1.83
26	0.03	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.01	0.03	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.03	0.03	0.01	70	NA	NA	NA
31	0.03	0.03	0.03	71	NA	NA	NA
32	0.01	0.03	0.04	72	NA	NA	NA
33	0.03	0.03	0.03	73	NA	NA	NA
34	0.03	0.04	0.03	74	NA	NA	NA
35	0.04	0.03	0.04	75	NA	NA	NA
36	0.04	0.05	0.04	76	NA	NA	NA
37	0.04	0.05	0.05	77	NA	NA	NA
38	0.07	0.05	0.04	78	NA	NA	NA
39	0.07	0.07	0.05	79	NA	NA	NA
40	0.08	0.08	0.07	80	NA	NA	NA
41	0.09	0.07	0.07	81	NA	NA	NA
42	0.10	0.09	0.08	82	NA	NA	NA
43	0.10	0.10	0.09	83	NA	NA	NA
44	0.13	0.12	0.09	84	NA	NA	NA
45	0.16	0.12	0.12	85	NA	NA	NA
46	0.17	0.14	0.12	86	NA	NA	NA
47	0.18	0.16	0.14	87	NA	NA	NA
48	0.21	0.18	0.17	88	NA	NA	NA
49	0.25	0.21	0.20	89	NA	NA	NA
50	0.28	0.25	0.22	90	NA	NA	NA
51	0.33	0.29	0.26	91	NA	NA	NA
52	0.38	0.34	0.30	92	NA	NA	NA
53	0.45	0.39	0.35	93	NA	NA	NA
54	0.52	0.46	0.41	94	NA	NA	NA
55	0.60	0.52	0.46	95	NA	NA	NA
56	0.72	0.63	0.55	96	NA	NA	NA
57	0.83	0.72	0.63	97	NA	NA	NA
58	0.97	0.84	0.72	98	NA	NA	NA
59	1.09	0.94	0.83	99	NA	NA	NA
60	1.24	1.07	0.93	100	NA	NA	NA

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 ROP Ride Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	2.02	1.74	1.49
22	0.01	0.01	0.01	62	2.17	1.86	1.60
23	0.01	0.01	0.01	63	2.33	1.99	1.70
24	0.01	0.01	0.01	64	2.49	2.12	1.82
25	0.01	0.01	0.01	65	2.66	2.27	1.93
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.03	0.01	68	NA	NA	NA
29	0.03	0.03	0.01	69	NA	NA	NA
30	0.03	0.03	0.03	70	NA	NA	NA
31	0.03	0.03	0.03	71	NA	NA	NA
32	0.04	0.04	0.03	72	NA	NA	NA
33	0.04	0.04	0.03	73	NA	NA	NA
34	0.05	0.05	0.04	74	NA	NA	NA
35	0.05	0.04	0.04	75	NA	NA	NA
36	0.05	0.05	0.05	76	NA	NA	NA
37	0.07	0.05	0.07	77	NA	NA	NA
38	0.08	0.07	0.05	78	NA	NA	NA
39	0.09	0.08	0.07	79	NA	NA	NA
40	0.09	0.09	0.08	80	NA	NA	NA
41	0.10	0.12	0.10	81	NA	NA	NA
42	0.13	0.12	0.12	82	NA	NA	NA
43	0.14	0.13	0.12	83	NA	NA	NA
44	0.17	0.14	0.14	84	NA	NA	NA
45	0.20	0.18	0.17	85	NA	NA	NA
46	0.22	0.20	0.18	86	NA	NA	NA
47	0.26	0.24	0.21	87	NA	NA	NA
48	0.30	0.28	0.24	88	NA	NA	NA
49	0.35	0.31	0.28	89	NA	NA	NA
50	0.42	0.38	0.34	90	NA	NA	NA
51	0.48	0.43	0.38	91	NA	NA	NA
52	0.56	0.50	0.43	92	NA	NA	NA
53	0.67	0.59	0.51	93	NA	NA	NA
54	0.77	0.68	0.59	94	NA	NA	NA
55	0.89	0.79	0.68	95	NA	NA	NA
56	1.09	0.96	0.83	96	NA	NA	NA
57	1.23	1.07	0.94	97	NA	NA	NA
58	1.40	1.21	1.05	98	NA	NA	NA
59	1.52	1.32	1.13	99	NA	NA	NA
60	1.66	1.44	1.23	100	NA	NA	NA

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 ROP Ride Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.59	1.36	1.18
22	0.01	0.01	0.01	62	1.78	1.55	1.32
23	0.01	0.01	0.01	63	2.02	1.73	1.48
24	0.01	0.01	0.01	64	2.28	1.94	1.65
25	0.01	0.01	0.01	65	2.54	2.16	1.83
26	0.03	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.01	0.03	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.03	0.03	0.01	70	NA	NA	NA
31	0.03	0.03	0.03	71	NA	NA	NA
32	0.01	0.03	0.04	72	NA	NA	NA
33	0.03	0.03	0.03	73	NA	NA	NA
34	0.03	0.04	0.03	74	NA	NA	NA
35	0.04	0.03	0.04	75	NA	NA	NA
36	0.04	0.05	0.04	76	NA	NA	NA
37	0.04	0.05	0.05	77	NA	NA	NA
38	0.07	0.05	0.04	78	NA	NA	NA
39	0.07	0.07	0.05	79	NA	NA	NA
40	0.08	0.08	0.07	80	NA	NA	NA
41	0.09	0.07	0.07	81	NA	NA	NA
42	0.10	0.09	0.08	82	NA	NA	NA
43	0.10	0.10	0.09	83	NA	NA	NA
44	0.13	0.12	0.09	84	NA	NA	NA
45	0.16	0.12	0.12	85	NA	NA	NA
46	0.17	0.14	0.12	86	NA	NA	NA
47	0.18	0.16	0.14	87	NA	NA	NA
48	0.21	0.18	0.17	88	NA	NA	NA
49	0.25	0.21	0.20	89	NA	NA	NA
50	0.28	0.25	0.22	90	NA	NA	NA
51	0.33	0.29	0.26	91	NA	NA	NA
52	0.38	0.34	0.30	92	NA	NA	NA
53	0.45	0.39	0.35	93	NA	NA	NA
54	0.52	0.46	0.41	94	NA	NA	NA
55	0.60	0.52	0.46	95	NA	NA	NA
56	0.72	0.63	0.55	96	NA	NA	NA
57	0.83	0.72	0.63	97	NA	NA	NA
58	0.97	0.84	0.72	98	NA	NA	NA
59	1.09	0.94	0.83	99	NA	NA	NA
60	1.24	1.07	0.93	100	NA	NA	NA

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 ROP Ride Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	<u>Issue Age</u>	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>		<u>Unlimited</u>	<u>Unlimited</u>	<u>Unlimited</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	2.02	1.74	1.49
22	0.01	0.01	0.01	62	2.17	1.86	1.60
23	0.01	0.01	0.01	63	2.33	1.99	1.70
24	0.01	0.01	0.01	64	2.49	2.12	1.82
25	0.01	0.01	0.01	65	2.66	2.27	1.93
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.03	0.01	68	NA	NA	NA
29	0.03	0.03	0.01	69	NA	NA	NA
30	0.03	0.03	0.03	70	NA	NA	NA
31	0.03	0.03	0.03	71	NA	NA	NA
32	0.04	0.04	0.03	72	NA	NA	NA
33	0.04	0.04	0.03	73	NA	NA	NA
34	0.05	0.05	0.04	74	NA	NA	NA
35	0.05	0.04	0.04	75	NA	NA	NA
36	0.05	0.05	0.05	76	NA	NA	NA
37	0.07	0.05	0.07	77	NA	NA	NA
38	0.08	0.07	0.05	78	NA	NA	NA
39	0.09	0.08	0.07	79	NA	NA	NA
40	0.09	0.09	0.08	80	NA	NA	NA
41	0.10	0.12	0.10	81	NA	NA	NA
42	0.13	0.12	0.12	82	NA	NA	NA
43	0.14	0.13	0.12	83	NA	NA	NA
44	0.17	0.14	0.14	84	NA	NA	NA
45	0.20	0.18	0.17	85	NA	NA	NA
46	0.22	0.20	0.18	86	NA	NA	NA
47	0.26	0.24	0.21	87	NA	NA	NA
48	0.30	0.28	0.24	88	NA	NA	NA
49	0.35	0.31	0.28	89	NA	NA	NA
50	0.42	0.38	0.34	90	NA	NA	NA
51	0.48	0.43	0.38	91	NA	NA	NA
52	0.56	0.50	0.43	92	NA	NA	NA
53	0.67	0.59	0.51	93	NA	NA	NA
54	0.77	0.68	0.59	94	NA	NA	NA
55	0.89	0.79	0.68	95	NA	NA	NA
56	1.09	0.96	0.83	96	NA	NA	NA
57	1.23	1.07	0.94	97	NA	NA	NA
58	1.40	1.21	1.05	98	NA	NA	NA
59	1.52	1.32	1.13	99	NA	NA	NA
60	1.66	1.44	1.23	100	NA	NA	NA

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Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	1.46	1.36	1.28	61	14.86	13.06	11.46
22	1.50	1.39	1.31	62	16.01	14.08	12.35
23	1.53	1.43	1.34	63	17.26	15.19	13.31
24	1.57	1.46	1.36	64	18.62	16.37	14.35
25	1.61	1.49	1.39	65	20.07	17.66	15.47
26	1.64	1.52	1.42	66	20.33	17.94	15.65
27	1.69	1.56	1.45	67	21.01	18.45	15.93
28	1.73	1.60	1.48	68	21.79	19.13	16.48
29	1.78	1.64	1.52	69	22.59	19.92	17.30
30	1.90	1.75	1.62	70	23.66	20.84	18.27
31	1.96	1.80	1.66	71	25.48	22.45	19.68
32	2.03	1.85	1.71	72	27.49	24.23	21.23
33	2.12	1.94	1.78	73	29.71	26.19	22.95
34	2.23	2.03	1.86	74	32.14	28.33	24.82
35	2.34	2.13	1.94	75	34.72	30.61	26.80
36	2.47	2.24	2.04	76	37.39	32.96	28.85
37	2.61	2.35	2.14	77	40.09	35.33	30.90
38	2.76	2.48	2.25	78	42.74	37.64	32.89
39	2.92	2.63	2.37	79	45.24	39.81	34.76
40	3.09	2.78	2.51	80	47.44	41.69	36.37
41	3.30	2.96	2.66	81	67.13	58.43	50.49
42	3.52	3.14	2.82	82	74.26	64.44	55.52
43	3.75	3.34	2.99	83	81.87	70.82	60.84
44	3.99	3.55	3.17	84	90.09	77.67	66.51
45	4.26	3.79	3.38	85	98.60	84.68	72.27
46	4.56	4.05	3.60	86	107.09	91.60	77.90
47	4.88	4.33	3.85	87	116.31	99.04	83.91
48	5.24	4.64	4.11	88	125.34	106.17	89.57
49	5.64	4.99	4.41	89	133.90	112.80	94.72
50	6.12	5.41	4.79	90	143.55	120.19	100.42
51	6.60	5.83	5.16	91	152.37	126.77	105.36
52	7.11	6.28	5.55	92	161.27	133.27	110.18
53	7.67	6.77	5.97	93	169.74	139.32	114.57
54	8.26	7.29	6.43	94	178.38	145.38	118.89
55	8.91	7.85	6.92	95	187.74	151.82	123.41
56	9.90	8.71	7.66	96	195.25	157.89	128.34
57	10.66	9.38	8.24	97	204.20	165.13	134.22
58	11.48	10.10	8.87	98	213.07	172.30	140.06
59	12.37	10.88	9.55	99	224.30	181.39	147.44
60	13.34	11.73	10.29	100	232.25	187.81	152.67

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Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	1.58	1.47	1.37	61	16.43	14.45	12.67
22	1.63	1.51	1.41	62	17.32	15.23	13.35
23	1.69	1.55	1.44	63	18.27	16.07	14.08
24	1.73	1.60	1.48	64	19.29	16.97	14.86
25	1.79	1.65	1.53	65	20.39	17.93	15.71
26	1.84	1.69	1.57	66	20.33	17.94	15.65
27	1.89	1.74	1.61	67	21.01	18.45	15.93
28	1.96	1.79	1.65	68	21.79	19.13	16.48
29	2.02	1.85	1.69	69	22.59	19.92	17.30
30	2.19	1.99	1.83	70	23.66	20.84	18.27
31	2.27	2.07	1.89	71	25.48	22.45	19.68
32	2.36	2.14	1.96	72	27.49	24.23	21.23
33	2.49	2.26	2.05	73	29.71	26.19	22.95
34	2.63	2.37	2.16	74	32.14	28.33	24.82
35	2.77	2.50	2.27	75	34.72	30.61	26.80
36	2.93	2.64	2.39	76	37.39	32.96	28.85
37	3.11	2.79	2.52	77	40.09	35.33	30.90
38	3.30	2.96	2.67	78	42.74	37.64	32.89
39	3.51	3.14	2.82	79	45.24	39.81	34.76
40	3.74	3.33	2.99	80	47.44	41.69	36.37
41	4.00	3.56	3.19	81	67.13	58.43	50.49
42	4.27	3.79	3.39	82	74.26	64.44	55.52
43	4.55	4.04	3.61	83	81.87	70.82	60.84
44	4.87	4.31	3.84	84	90.09	77.67	66.51
45	5.21	4.61	4.10	85	98.60	84.68	72.27
46	5.57	4.94	4.38	86	107.09	91.60	77.90
47	5.97	5.29	4.68	87	116.31	99.04	83.91
48	6.42	5.67	5.01	88	125.34	106.17	89.57
49	6.90	6.09	5.38	89	133.90	112.80	94.72
50	7.47	6.59	5.83	90	143.55	120.19	100.42
51	8.05	7.10	6.27	91	152.37	126.77	105.36
52	8.66	7.64	6.74	92	161.27	133.27	110.18
53	9.32	8.21	7.24	93	169.74	139.32	114.57
54	10.01	8.82	7.77	94	178.38	145.38	118.89
55	10.75	9.47	8.33	95	187.74	151.82	123.41
56	11.91	10.48	9.21	96	195.25	157.89	128.34
57	12.75	11.22	9.85	97	204.20	165.13	134.22
58	13.53	11.91	10.45	98	213.07	172.30	140.06
59	14.26	12.54	11.00	99	224.30	181.39	147.44
60	15.03	13.21	11.59	100	232.25	187.81	152.67

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Integrated Plan HHC at 75%  
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Indexing: 5% Compound until age 80 or 200%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	1.65	1.52	1.42	61	16.71	14.51	12.60
22	1.69	1.56	1.45	62	17.98	15.61	13.56
23	1.73	1.59	1.48	63	19.34	16.80	14.58
24	1.77	1.63	1.51	64	20.80	18.08	15.69
25	1.82	1.67	1.54	65	22.38	19.45	16.88
26	1.86	1.70	1.57	66	22.65	19.63	17.10
27	1.92	1.75	1.61	67	23.25	20.25	17.44
28	1.97	1.80	1.64	68	24.04	21.00	18.10
29	2.03	1.84	1.69	69	24.99	21.71	18.95
30	2.16	1.96	1.80	70	26.15	22.78	19.79
31	2.24	2.02	1.85	71	28.08	24.48	21.27
32	2.32	2.09	1.90	72	30.22	26.35	22.90
33	2.43	2.19	1.99	73	32.58	28.42	24.70
34	2.56	2.29	2.08	74	35.16	30.68	26.66
35	2.69	2.41	2.17	75	37.92	33.09	28.75
36	2.84	2.53	2.28	76	40.78	35.58	30.90
37	3.00	2.67	2.39	77	43.68	38.10	33.07
38	3.17	2.82	2.53	78	46.54	40.57	35.19
39	3.36	2.98	2.66	79	49.25	42.90	37.17
40	3.57	3.15	2.81	80	51.63	44.92	38.89
41	3.81	3.37	2.99	81	73.07	62.96	54.00
42	4.05	3.57	3.17	82	80.82	69.44	59.39
43	4.32	3.79	3.36	83	89.11	76.30	65.07
44	4.60	4.04	3.57	84	98.06	83.69	71.15
45	4.91	4.31	3.79	85	107.33	91.26	77.33
46	5.25	4.60	4.05	86	116.61	98.76	83.39
47	5.62	4.92	4.32	87	126.74	106.85	89.88
48	6.04	5.27	4.62	88	136.69	114.66	96.04
49	6.48	5.65	4.95	89	148.05	123.49	102.95
50	7.02	6.12	5.36	90	156.97	130.14	107.97
51	7.56	6.59	5.76	91	166.92	137.50	113.48
52	8.14	7.09	6.19	92	177.04	144.86	118.92
53	8.76	7.62	6.65	93	186.82	151.83	123.96
54	9.43	8.20	7.15	94	196.95	158.92	129.03
55	10.15	8.82	7.69	95	208.02	166.54	134.39
56	11.26	9.78	8.51	96	216.35	173.20	139.76
57	12.10	10.51	9.14	97	226.26	181.14	146.17
58	13.00	11.29	9.82	98	236.09	189.01	152.52
59	13.99	12.15	10.55	99	248.53	198.97	160.55
60	15.05	13.07	11.35	100	257.34	206.02	166.25

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ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	1.80	1.65	1.52	61	18.43	16.01	13.90
22	1.86	1.69	1.56	62	19.40	16.86	14.63
23	1.92	1.74	1.60	63	20.44	17.76	15.41
24	1.97	1.80	1.65	64	21.54	18.72	16.24
25	2.03	1.85	1.70	65	22.72	19.74	17.13
26	2.09	1.90	1.74	66	22.65	19.63	17.10
27	2.17	1.96	1.79	67	23.25	20.25	17.44
28	2.24	2.02	1.84	68	24.04	21.00	18.10
29	2.31	2.08	1.90	69	24.99	21.71	18.95
30	2.50	2.25	2.04	70	26.15	22.78	19.79
31	2.60	2.33	2.11	71	28.08	24.48	21.27
32	2.71	2.42	2.19	72	30.22	26.35	22.90
33	2.85	2.55	2.30	73	32.58	28.42	24.70
34	3.01	2.68	2.41	74	35.16	30.68	26.66
35	3.19	2.84	2.54	75	37.92	33.09	28.75
36	3.38	2.99	2.67	76	40.78	35.58	30.90
37	3.58	3.17	2.82	77	43.68	38.10	33.07
38	3.80	3.36	2.99	78	46.54	40.57	35.19
39	4.04	3.56	3.16	79	49.25	42.90	37.17
40	4.30	3.78	3.35	80	51.63	44.92	38.89
41	4.61	4.04	3.57	81	73.07	62.96	54.00
42	4.91	4.31	3.79	82	80.82	69.44	59.39
43	5.24	4.59	4.04	83	89.11	76.30	65.07
44	5.60	4.90	4.30	84	98.06	83.69	71.15
45	5.98	5.22	4.58	85	107.33	91.26	77.33
46	6.40	5.59	4.90	86	116.61	98.76	83.39
47	6.85	5.98	5.23	87	126.74	106.85	89.88
48	7.35	6.40	5.60	88	136.69	114.66	96.04
49	7.88	6.87	6.00	89	148.05	123.49	102.95
50	8.52	7.42	6.48	90	156.97	130.14	107.97
51	9.17	7.98	6.97	91	166.92	137.50	113.48
52	9.85	8.57	7.48	92	177.04	144.86	118.92
53	10.57	9.20	8.02	93	186.82	151.83	123.96
54	11.35	9.87	8.60	94	196.95	158.92	129.03
55	12.17	10.58	9.21	95	208.02	166.54	134.39
56	13.46	11.69	10.17	96	216.35	173.20	139.76
57	14.39	12.50	10.86	97	226.26	181.14	146.17
58	15.25	13.25	11.51	98	236.09	189.01	152.52
59	16.05	13.94	12.11	99	248.53	198.97	160.55
60	16.89	14.67	12.74	100	257.34	206.02	166.25

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Indexing: 5% Compound until age 80 or 200%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.11	0.97	0.84
22	0.01	0.01	0.01	62	1.27	1.10	0.95
23	0.01	0.01	0.01	63	1.43	1.23	1.06
24	0.01	0.01	0.01	64	1.59	1.38	1.18
25	0.01	0.01	0.01	65	1.79	1.53	1.31
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.02	0.01	0.02	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.02	0.02	0.02	70	NA	NA	NA
31	0.02	0.01	0.02	71	NA	NA	NA
32	0.01	0.02	0.02	72	NA	NA	NA
33	0.03	0.02	0.02	73	NA	NA	NA
34	0.03	0.03	0.02	74	NA	NA	NA
35	0.03	0.03	0.03	75	NA	NA	NA
36	0.03	0.03	0.03	76	NA	NA	NA
37	0.04	0.04	0.04	77	NA	NA	NA
38	0.04	0.05	0.04	78	NA	NA	NA
39	0.05	0.04	0.04	79	NA	NA	NA
40	0.06	0.05	0.04	80	NA	NA	NA
41	0.06	0.06	0.06	81	NA	NA	NA
42	0.06	0.06	0.06	82	NA	NA	NA
43	0.07	0.07	0.06	83	NA	NA	NA
44	0.09	0.08	0.08	84	NA	NA	NA
45	0.10	0.09	0.09	85	NA	NA	NA
46	0.11	0.10	0.10	86	NA	NA	NA
47	0.13	0.12	0.10	87	NA	NA	NA
48	0.15	0.14	0.13	88	NA	NA	NA
49	0.17	0.15	0.15	89	NA	NA	NA
50	0.20	0.18	0.17	90	NA	NA	NA
51	0.23	0.21	0.18	91	NA	NA	NA
52	0.27	0.24	0.22	92	NA	NA	NA
53	0.31	0.28	0.25	93	NA	NA	NA
54	0.37	0.33	0.29	94	NA	NA	NA
55	0.42	0.38	0.33	95	NA	NA	NA
56	0.51	0.46	0.40	96	NA	NA	NA
57	0.59	0.52	0.46	97	NA	NA	NA
58	0.67	0.60	0.52	98	NA	NA	NA
59	0.77	0.68	0.60	99	NA	NA	NA
60	0.87	0.77	0.68	100	NA	NA	NA

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 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.42	1.24	1.07
22	0.01	0.01	0.01	62	1.53	1.33	1.15
23	0.01	0.01	0.01	63	1.65	1.42	1.22
24	0.01	0.01	0.01	64	1.75	1.51	1.30
25	0.01	0.01	0.01	65	1.86	1.60	1.37
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.02	0.01	0.01	67	NA	NA	NA
28	0.01	0.02	0.01	68	NA	NA	NA
29	0.01	0.01	0.02	69	NA	NA	NA
30	0.02	0.03	0.02	70	NA	NA	NA
31	0.02	0.02	0.03	71	NA	NA	NA
32	0.03	0.03	0.02	72	NA	NA	NA
33	0.03	0.02	0.03	73	NA	NA	NA
34	0.03	0.03	0.02	74	NA	NA	NA
35	0.04	0.04	0.03	75	NA	NA	NA
36	0.05	0.04	0.03	76	NA	NA	NA
37	0.05	0.05	0.04	77	NA	NA	NA
38	0.06	0.05	0.04	78	NA	NA	NA
39	0.06	0.06	0.05	79	NA	NA	NA
40	0.07	0.07	0.06	80	NA	NA	NA
41	0.08	0.08	0.07	81	NA	NA	NA
42	0.09	0.09	0.08	82	NA	NA	NA
43	0.11	0.10	0.08	83	NA	NA	NA
44	0.12	0.12	0.10	84	NA	NA	NA
45	0.14	0.13	0.11	85	NA	NA	NA
46	0.17	0.14	0.13	86	NA	NA	NA
47	0.19	0.16	0.15	87	NA	NA	NA
48	0.21	0.19	0.18	88	NA	NA	NA
49	0.25	0.23	0.21	89	NA	NA	NA
50	0.29	0.27	0.23	90	NA	NA	NA
51	0.34	0.31	0.27	91	NA	NA	NA
52	0.41	0.36	0.32	92	NA	NA	NA
53	0.47	0.43	0.36	93	NA	NA	NA
54	0.55	0.49	0.43	94	NA	NA	NA
55	0.63	0.56	0.50	95	NA	NA	NA
56	0.77	0.68	0.60	96	NA	NA	NA
57	0.87	0.77	0.67	97	NA	NA	NA
58	0.99	0.86	0.75	98	NA	NA	NA
59	1.07	0.94	0.82	99	NA	NA	NA
60	1.16	1.03	0.89	100	NA	NA	NA

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Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.21	1.04	0.90
22	0.01	0.01	0.01	62	1.36	1.18	1.01
23	0.01	0.01	0.01	63	1.54	1.32	1.13
24	0.01	0.01	0.01	64	1.74	1.48	1.26
25	0.01	0.01	0.01	65	1.94	1.65	1.40
26	0.02	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.01	0.02	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.02	0.02	0.01	70	NA	NA	NA
31	0.02	0.02	0.02	71	NA	NA	NA
32	0.01	0.02	0.03	72	NA	NA	NA
33	0.02	0.02	0.02	73	NA	NA	NA
34	0.02	0.03	0.02	74	NA	NA	NA
35	0.03	0.02	0.03	75	NA	NA	NA
36	0.03	0.04	0.03	76	NA	NA	NA
37	0.03	0.04	0.04	77	NA	NA	NA
38	0.05	0.04	0.03	78	NA	NA	NA
39	0.05	0.05	0.04	79	NA	NA	NA
40	0.06	0.06	0.05	80	NA	NA	NA
41	0.07	0.05	0.05	81	NA	NA	NA
42	0.08	0.07	0.06	82	NA	NA	NA
43	0.08	0.08	0.07	83	NA	NA	NA
44	0.10	0.09	0.07	84	NA	NA	NA
45	0.12	0.09	0.09	85	NA	NA	NA
46	0.13	0.11	0.09	86	NA	NA	NA
47	0.14	0.12	0.11	87	NA	NA	NA
48	0.16	0.14	0.13	88	NA	NA	NA
49	0.19	0.16	0.15	89	NA	NA	NA
50	0.21	0.19	0.17	90	NA	NA	NA
51	0.25	0.22	0.20	91	NA	NA	NA
52	0.29	0.26	0.23	92	NA	NA	NA
53	0.34	0.30	0.27	93	NA	NA	NA
54	0.40	0.35	0.31	94	NA	NA	NA
55	0.46	0.40	0.35	95	NA	NA	NA
56	0.55	0.48	0.42	96	NA	NA	NA
57	0.63	0.55	0.48	97	NA	NA	NA
58	0.74	0.64	0.55	98	NA	NA	NA
59	0.83	0.72	0.63	99	NA	NA	NA
60	0.95	0.82	0.71	100	NA	NA	NA

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 601  
 Monthly Premiums Per \$10 Daily Benefit  
 WITH THE APPROVED RATE INCREASE

Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>3 years</u>	<u>3 years</u>	<u>3 years</u>		<u>3 years</u>	<u>3 years</u>	<u>3 years</u>
<u>Issue Age</u>							
18-21	0.01	0.01	0.01	61	1.54	1.33	1.14
22	0.01	0.01	0.01	62	1.66	1.42	1.22
23	0.01	0.01	0.01	63	1.78	1.52	1.30
24	0.01	0.01	0.01	64	1.90	1.62	1.39
25	0.01	0.01	0.01	65	2.03	1.73	1.47
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.02	0.01	68	NA	NA	NA
29	0.02	0.02	0.01	69	NA	NA	NA
30	0.02	0.02	0.02	70	NA	NA	NA
31	0.02	0.02	0.02	71	NA	NA	NA
32	0.03	0.03	0.02	72	NA	NA	NA
33	0.03	0.03	0.02	73	NA	NA	NA
34	0.04	0.04	0.03	74	NA	NA	NA
35	0.04	0.03	0.03	75	NA	NA	NA
36	0.04	0.04	0.04	76	NA	NA	NA
37	0.05	0.04	0.05	77	NA	NA	NA
38	0.06	0.05	0.04	78	NA	NA	NA
39	0.07	0.06	0.05	79	NA	NA	NA
40	0.07	0.07	0.06	80	NA	NA	NA
41	0.08	0.09	0.08	81	NA	NA	NA
42	0.10	0.09	0.09	82	NA	NA	NA
43	0.11	0.10	0.09	83	NA	NA	NA
44	0.13	0.11	0.11	84	NA	NA	NA
45	0.15	0.14	0.13	85	NA	NA	NA
46	0.17	0.15	0.14	86	NA	NA	NA
47	0.20	0.18	0.16	87	NA	NA	NA
48	0.23	0.21	0.18	88	NA	NA	NA
49	0.27	0.24	0.21	89	NA	NA	NA
50	0.32	0.29	0.26	90	NA	NA	NA
51	0.37	0.33	0.29	91	NA	NA	NA
52	0.43	0.38	0.33	92	NA	NA	NA
53	0.51	0.45	0.39	93	NA	NA	NA
54	0.59	0.52	0.45	94	NA	NA	NA
55	0.68	0.60	0.52	95	NA	NA	NA
56	0.83	0.73	0.63	96	NA	NA	NA
57	0.94	0.82	0.72	97	NA	NA	NA
58	1.07	0.92	0.80	98	NA	NA	NA
59	1.16	1.01	0.86	99	NA	NA	NA
60	1.27	1.10	0.94	100	NA	NA	NA

**Principal Life Insurance Company**  
**Actuarial Memorandum**  
**Policy Form FR 601**

**Modal Factors**

<b>Payment Mode</b>	<b>Factors</b>
Monthly	1.00
Quarterly	3.00
Semi-Annual	5.86
Annual	11.43

<b>State:</b> Virginia	<b>Filing Company:</b> Principal Life Insurance Company
<b>TOI/Sub-TOI:</b> LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified	
<b>Product Name:</b> FR 142, FR 601	
<b>Project Name/Number:</b> /	

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Certificate of Compliance Principal 12.10.19.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Product Checklist
<b>Comments:</b>	
<b>Attachment(s):</b>	VA rate review requirements checklist_Group_updated April 2018_20180720.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group Memorandum_20180720 rev 20191120.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Health Insurance Rate Request Summary_Group_20180720.pdf VA Health Insurance Request Form_Group_20191210.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Cover Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	VA Group cover letter 20180720.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	VA Exhibits
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Appendix A_Group_20180720.pdf Principal VA Group Experience Exhibits for Actuarial Memorandum_rev 20191120.pdf

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Third Party Authorization Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	2017 Letter of Authorization.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Additional Filing Information
<b>Comments:</b>	
<b>Attachment(s):</b>	Compliance with Loss Ratio Standard and Policyholder Protection Measures_Group_20180720.pdf Loss Ratio Compliance Attachment 1_Group.pdf MedAmerica Claims Procedures_Group.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Current VA Rates
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Group LTC 1_Form FR 142_Current Rates.pdf Principal VA Group PLTC_Form FR 601_Current Rates.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Original Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	FR 601 Actuarial Memorandum.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Statement of Variability
<b>Comments:</b>	
<b>Attachment(s):</b>	Statement of Variability Principal.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	08/28/2020

<b>Satisfied - Item:</b>	Objection Response 08-27-2018
<b>Comments:</b>	

State: Virginia Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

<b>Attachment(s):</b>	Principal VA_Group_Response to 20180726 objection_20180827.pdf July2017AgreementAmendments-signed.pdf Principal VA Experience Exhibits_Group_20180827.xlsb
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Objection Response 09-20-2018
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20180920 objection_20180920.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Objection Response 04-04-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20190304 objection_20190404.pdf Principal Group VA_Attachments_Obj 20190304_20190404.xlsx
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Objection Response 11-20-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191021 objection_20191120.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Readability Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA Readability Compliance Certification 8.20.20.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	08/28/2020

<b>Satisfied - Item:</b>	Objection Response 12-12-2019
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191210 objection_20191211.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	12/16/2019

<b>Satisfied - Item:</b>	Notes to Filer Response 12-30-2019
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State: Virginia      Filing Company: Principal Life Insurance Company  
 TOI/Sub-TOI: LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified  
 Product Name: FR 142, FR 601  
 Project Name/Number: /

<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191218 objection_20191230.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	08/28/2020
<b>Satisfied - Item:</b>	John Doe Policyholder Notification Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	John Doe PFGP-VA-0718.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	08/28/2020
<b>Satisfied - Item:</b>	Objection Response 01-24-2020
<b>Comments:</b>	
<b>Attachment(s):</b>	Principal VA_Group_Response to 20191231 objection_20200123.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	08/28/2020

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<b>SERFF Tracking #:</b>	TRIP-131594000	<b>State Tracking #:</b>	TRIP-131594000	<b>Company Tracking #:</b>	PRINCIPAL GROUP LTC 2018 LTC RATE INCREA...
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<b>State:</b>	Virginia	<b>Filing Company:</b>	Principal Life Insurance Company
<b>TOI/Sub-TOI:</b>	LTC05G Group Long Term Care - Nursing Home and Home Health Care/LTC05G.001 Qualified		
<b>Product Name:</b>	FR 142, FR 601		
<b>Project Name/Number:</b>	/		

***Attachment Principal VA Experience Exhibits\_Group\_20180827.xlsb is not a PDF document and cannot be reproduced here.***

***Attachment Principal Group VA\_Attachments\_Obj 20190304\_20190404.xlsx is not a PDF document and cannot be reproduced here.***

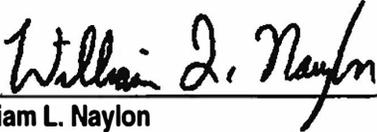
**Virginia Certificate of Compliance**  
**MedAmerica Insurance Company**  
**On Behalf of Principal Life Insurance Company**  
**Long-Term Care Insurance Policy (Tax-Qualified)**

Form Name and Description	Form Number	New, Replace or Other
<b>Notice of Premium Increase</b>	PFGP-VA-0718	New
Notification letter that we have filed a premium increase with the Virginia Bureau of Insurance with options to mitigate the increase outlined in the letter.		
<b>Option Election Form</b>	PFGOEF-VA-0718	New
Form for the insured to notify us that they have decided to reduce their unlimited lifetime benefit to a three-year maximum benefit and continue paying their current premium amount or stop future premium payments and accept the Contingent Non-Forfeiture Benefit.		
<b>Notice of Premium Increase</b>	PFGN-VA-0718	New
Notification letter that we have filed a premium increase with the Virginia Bureau of Insurance with options to mitigate the increase outlined in the letter.		
<b>Contingent Non-Forfeiture Benefit Election Form</b>	PFGCNF-VA-0718	New
Form for the insured to notify us that they have decided to stop future premium payments and accept the Contingent Non-Forfeiture Benefit.		

The Long Term Care Policy is intended to be a Qualified Long Term Care Contract under the Federal Internal Revenue Code. The policies were sold to individuals between the ages of 18-85.

The company has reviewed the enclosed policy forms and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Certification by:

  
 \_\_\_\_\_  
 William L. Naylon

**President**  
 \_\_\_\_\_  
 Title

### Rate Review Requirements Checklist

**For all Rate Filings for Forms Issued in the Individual and Small Group Markets, Hospital Confinement Indemnity, Disability Income Protection, Accident Only, Specified Disease and Other, whether paid on an expense incurred or indemnity basis, and Medicare Supplement**

**NOTE:** This document is intended to assist carriers in preparing rate filings for individual and selected group accident and sickness insurance coverage for approval by the Bureau of Insurance. It provides guidance based on current Virginia laws and regulations. It should be noted, however, that this checklist should not be used exclusive of other important resources, including, but not limited to, any and all other applicable state insurance laws and associated rules and regulations. It is the responsibility of the carriers to verify that their products comply with all relevant statutory and regulatory requirements. Note that some regulatory references in the comments column are approximate. Please review the applicable Administrative Code for the full text of the regulation.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
<b>General Filing Requirements</b>				
Agent Commissions	§ 38.2-316.1	Describe agent commissions including any limitations or exceptions. (ACA Individual and Small Group Markets Only)		Not Applicable
Certification of Compliance	14VAC5-100-40 3	Certificate of Compliance signed by General Counsel or officer of the company, or attorney, or actuary representing company is required. This is not required if this is a rate only filing.	SERFF	
Information about the filing	14VAC5-100-70	When submitting an Individual Accident and Sickness form, a company must file the applicable rates, rules and classification of risks with the Commission.	Cover Letter	
Company Name and NAIC No.	Administrative Letter 1983-7	The transmittal letter must include the name and NAIC number of the company for which the filing is made.	Cover Letter	
<b>Additional SERFF Filing Requirements</b>	<b>Administrative Letter 2012-03</b>	<b>Additional SERFF filing requirements must be met as specified below for life and health forms and rate filings.</b>		
General Information Filing Description		All submissions must provide a brief summary of the filing, including a statement describing whether the rate or rate manual is new or a revision of an existing rate or rate manual.	Cover Letter	
		Identification of SERFF or state tracking number for the previously approved rate or rate manual.	SERFF Rate/Rule Schedule tab	
<b>HELP TIP:</b>		If a form or rate filing is submitted as new in Virginia, but was previously disapproved or withdrawn in Virginia, please provide details such as the tracking information, form number, and the date that the form or rate filing was disapproved or withdrawn, if available.		
Rate Changes		(i) Include a statement regarding an increase, decrease, revision of former rates. (ii) Specify the percentage amount(s) of the change(s).	(i) Cover Letter (ii) Cover Letter (iii) Actuarial Memorandum (AM) Section 18 & 21 (iv) AM Section 16 & 17	

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
		(iii) Specify the number of affected policyholders. (iv) Specify the reason for the proposed change(s).		
	14VAC5-130-50 B	Include an actuarial memorandum describing the basis on which rates were determined including a description of the calculation of the anticipated loss ratio.	AM Section 5, 14, 16 & 17	
Individual and Small Group Markets – Uniform Age Rating Curve	14VAC5-130- 50 E 1 Virginia Rate Template	Premium rates with respect to a particular plan or coverage may only vary by: (a) Whether the plan or coverage covers an individual or family; (b) The rating area; (c) Age, consistent with the Federal Default Standard Age Curve; (d) Tobacco use, except the rate must not vary more than 1.5 to 1. If included in a small group form, employees must be given the option to avoid the tobacco surcharge by participating in certain wellness programs.		Not Applicable
	14VAC5-130-50 E 2	A premium rate must not vary by any other factor not described in 14VAC5-130-50 E 1.		Not Applicable
	14VAC5-130-50 E 3	For family coverage, permitted rating variations must be applied based on the portion of premium attributable to each family member covered under the plan. With respect to family members under age 21, the premiums for no more than the three oldest covered children must be taken into account in determining the total family premium.		Not Applicable
	14VAC5-130-50 E 4	The premium charged must not be adjusted more frequently than annually except that the premium rate may be changed to reflect changes to: (i) Family composition of the member or; (ii) Coverage requested by the member.		Not Applicable
	14VAC5-130-50 E 5	Premium Rates for student health insurance coverage may be based on school-specific community rating and are exempt from subdivision 1 through 4 above.		Not Applicable
Accident and Sickness Insurance Rate Filing Requirements – Filing a Rate for a New Policy Form	14VAC5-130-60 A	New rate submission must include: (i) Form number of applicable policy or certificate, application, and endorsements; (ii) Rate Sheet(s); (iii) An actuarial memorandum; (iv) All information required in SERFF. Unified Rate Review Template shall also be filed for coverage issued in the individual or small group markets, <i>except for student health insurance coverage.</i>		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14VAC5-130-60 B	<b>An Actuarial Memorandum that includes:</b>		
	14VAC5-130-60 B 1	A description of the type of policy or coverage, including benefits, renewability, general marketing method, and issue age limits.		Not Applicable
	14VAC5-130-60 B 2	A description of how rates were determined, including the general description and source of each assumption used.		Not Applicable
	14VAC5-130-60 B 3	The estimated average annual premium per policy and per member.		Not Applicable
	14VAC5-130-60 B 4	The anticipated loss ratio and a description of how it was calculated.		Not Applicable
	14VAC5-130-60 B 5	The minimum anticipated loss ratio presumed reasonable in accordance with 14VAC5-130-65.		Not Applicable
	14VAC5-130-60 B 6	If the anticipated loss ratio is less than the minimum anticipated loss ratio, include supporting documentation for the use of such premiums.		Not Applicable
	14VAC5-130-60 B 7	<i>For coverage issued in the Individual or Small Group Health Insurance Market:</i> A certification by a qualified actuary of the actuarial value of each plan of benefits included and the AV calculation summary.		Not Applicable
	14VAC5-130-60 B 8	A certification by a qualified actuary that, to the vest of his or her knowledge and judgment, the rate filing is in compliance with the applicable laws and regulations of Virginia and the premiums are reasonable in relation to the benefits provided.		Not Applicable
Reasonableness of benefits in relation to initial premiums	14VAC5-130-65 A	Benefits are deemed reasonable in relation to premiums if the anticipated loss ratio of policy form, including riders and endorsements, is at least as great as specified in the table provided, taking into account the qualifications and adjustments in subdivisions 1 through 9 below. The below anticipated loss ratio standards do not apply to a class of business where such standards are in conflict with specific statutes or regulations.		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS					LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES	
	14VAC5-130-65 A 1	If the expected average annual premium is at least \$200 but less than \$1,000.							
		Type of Coverage	<u>Renewal Clause</u>						
			<u>OR</u>	<u>CR</u>	<u>GR</u>	<u>NC</u>	<u>Other</u>		
		<u>Hospital Indemnity</u>	<u>60%</u>	<u>55%</u>	<u>55%</u>	<u>50%</u>	<u>60%</u>		
		<u>Disability Income Protection, Accident Only, Specified Disease and Other, whether paid on an expense incurred or indemnity basis</u>	<u>60%</u>	<u>55%</u>	<u>50%</u>	<u>45%</u>	<u>60%</u>		
	14VAC5-130-65 A 2	If the expected average annual premium is \$100 or more but less than \$200, subtract five percentage points from the numbers in the table.						Not Applicable	
	14VAC5-130-65 A 3	If the expected average annual premium is less than \$100, subtract 10 percentage points from the numbers in the table.						Not Applicable	
	14VAC5-130-65 A 4	If the expected average annual premium is \$1,000 or more, add five percentage points to the numbers in the table.						Not Applicable	
	14VAC5-130-65 A 5	Group Medicare supplement policies are expected to return to policyholders in the form of aggregate benefits under the policy at least 75% of the aggregate amount of premiums collected.						Not Applicable	

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14VAC5-130-65 A 6	Medicare supplement policies issued prior to July 30, 1992, as a result of solicitation of individuals through the mail or by mass media advertising, which shall include both print and broadcast advertising, are expected to return to policyholders in the form of aggregate benefits under the policy at least 60% of the aggregate amount of premiums collected.		Not Applicable
	14VAC5-130-65 A 7	Medicare supplement policies issued prior to July 30, 1992, sold on an individual rather than a group basis are expected to return to policyholders in the form of aggregate benefits under the policy at least 60% of the aggregate amount of premiums collected.		Not Applicable
	14VAC5-130-65 A 8	All health insurance coverage issued in the individual health insurance market shall be originally priced to meet a minimum 75% loss ratio and, except for student health insurance coverage, must be guaranteed renewable or noncancellable.		Not Applicable
	14VAC5-130-65 A 9	All health insurance coverage issued in the small group health insurance market must be originally priced to meet a minimum 75% loss ratio and must be guaranteed renewable or noncancellable.		Not Applicable
	14VAC5-130-65 B	The average annual premium per policy per member shall be computed by the health insurance issuer based on an anticipated distribution of business by all applicable criteria having a price difference, such as age, sex, amount, dependent status, rider frequency, etc., except assuming an annual mode for all policies ( <i>i.e., the fractional premium loading shall not affect the average annual premium or anticipated loss ratio calculation</i> ).		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
For Rate Revision, all Accident and Sickness Forms; Subscriber Contracts of Hospital, Medical or Surgical Plans; Dental Plans; Optometric Plans; Health Insurance Coverage in the Individual and Small Group Markets; Group Medicare supplement forms and subscriber contracts of hospital, medical or surgical plans – Filing a Rate Revision	14VAC5-130-70 A	Rate revision submission must include: (i) New Rate Sheet; (ii) An actuarial memorandum; and (iii) All information required in SERFF.  Unified Rate Review Template shall be filed for coverage issued in the individual or small group markets, <i>except for student health insurance coverage.</i>	(i) SERFF Rate/Rule Schedule tab (ii) SERFF (iii) Not Applicable	
	14VAC5-130-70 B	<b>Actuarial Memorandum that includes:</b>		
	14VAC5-130-70 B 1	A description of the type of policy, including benefits, renewability, issue age limits, and if applicable, whether the policy includes grandfathered, non-grandfathered plans, or both.	AM Sections 2,3, & 9	
	14VAC5-130-70 B 2	The scope and reason for the premium or rate revision.	AM Section 16 & 17	
	14VAC5-130-70 B 3	A comparison of the revised premiums with the current premium scale, including all percentage rate changes and any rating factor changes.	Cover Letter & AM Section 17	
	14VAC5-130-70 B 4	A statement of whether the revision applies only to new business, only to in-force business, or to both.	AM Section 4	
	14VAC5-130-70 B 5	The estimated average annual premium per policy and per member, before and after the proposed rate revision. If different changes by rating classification are requested, the filing also must include: (i) Range of changes; and (ii) average overall change, including a detailed explanation of how the change was determined.	AM Section 18	
	14VAC5-130-70 B 6	<i>The following is applicable to all coverage with the exception of coverage issued in the small group market:</i> Submit Form 130-A showing historical and projected experience, including: (i) Projections for future experience, and Virginia and national historical experience of earned premiums, paid claims, incurred claims and loss from inception through most	(i) AM Exhibits I and II	Actual and projected experience are based on historical experience through December 31, 2016, which is the most recent data available.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
		<p>recent quarter. Virginia and national experience should be shown separately. Missing experience should be estimated with all estimation assumptions and methodologies provided in detail;</p> <p>(ii) A statement of the basis for determining the rate revision (Virginia, national, or blended); and</p> <p>(iii) If blended, provide the credibility factor assigned to the national experience.</p>	<p>(ii) AM Section 14</p> <p>(iii) Not Applicable</p>	
	14VAC5-130-70 B 7	Details and dates of all past rate revisions, including annual rate revisions members will experience resulting from this filing. If a company only revises rates annually, the rate revision must be identical to the current submission. If a company has had more frequent rate revisions, the annual revision must reflect the compounding impact of all revisions for the past 12 months.	AM Section 15	
	14VAC5-130-70 B 8	A description of how revised rates were determined, including the general description and source of each assumption of Form 130-A. For claims, provide historical and projected claims by major service category for both cost and utilization on Form 130-B.	AM Sections 5,16, & 17	
	14VAC5-130-70 B 9	If the rate revision applies to new business, provide the anticipated loss ratio and a description of how it was calculated.		Not Applicable
	14VAC5-130-70 B 10	If the rate revision applies to in-force business provide: (a) The anticipated loss ratio and a description of how it was calculated; and (b) The estimated cumulative loss ratio, historical and anticipated, and a description of how it was calculated.	AM Sections 5 and 14	
	14VAC5-130-70 B 11	The loss ratio that was originally anticipated for the policy.	AM Exhibit I	
	14VAC5-130-70 B 12	If 9, 10a, or 10b is less than 11, supporting documentation for the use of such premiums or rates.		Not Applicable
	14VAC5-130-70 B 13	The current number of Virginia and national members to which the revision applies for the most recent month for which such data is available, and either premiums in force, premiums earned, or premiums collected for such members in the year immediately prior to the filing of the rate revision.	AM Section 21	
	14VAC5-130-70 B 14	Certification by a qualified actuary that, to the best of the actuary's knowledge and judgment, the rate filing is in compliance with applicable laws and regulations of this Commonwealth and the premiums are reasonable in relation to the benefits provided.	AM Section 22	

	14VAC5-130-70 B 15	For coverage issued in the individual or small group health insurance markets, a certification by a qualified actuary of the actuarial value of each plan of benefits included and the AV calculation summary.		Not Applicable
Health Insurance Issuer – Filing a Rate Revision	14VAC5-130-75 A	For individual accident and sickness insurance, individual, and group Medicare supplement insurance, and coverage issued in the individual market, with respect to filings of rate revisions for a previously approved form, benefits shall be deemed reasonable in relation to premiums provided the present values of the future and lifetime loss ratios are at least as great as the standards in 14VAC5-130-70 B 11. Interest, at a rate consistent with that assumed in the original effective date of the form to the effective date of the revision and the present value of future premiums.	AM Section 22	
Health Insurance Issuer – Filing a Rate Revision	14VAC5-130-75 B	For coverage issued in the small group health insurance market, the anticipated loss ratio over the entire period for which the revised rates are computed to provide coverage must be at least as great as the standards in 14VAC5-130-70 B 11.		Not Applicable
Health Insurance Issuer – Filing a Rate Revision	14VAC5-130-75 C	Revised premiums for policies issued on or after the effective date of the revision must meet the standards in 14VAC5-130-65, except the average annual premium shall be determined on actual rather than anticipated distribution of business.		Not Applicable
<b>Medicare Supplement Requirements</b>		<i>Applicable requirements for Medicare Supplement insurance rate filings in addition to the above:</i>		
Standardized Medicare Supplement Forms	14VAC5-170-120 A 1	A Medicare supplement policy or certificate shall not be delivered or issued for delivery unless the policy form or certificate form can be expected, as estimated for the entire premium period for which rates are computed to provide coverage, to return to policyholders and certificateholders in the form of aggregate benefits (not including anticipated refunds or credits) provided under the policy or certificate form: (a) At least 75% of the aggregate amount of premiums earned in the case of group policies; or (b) At least 65% of the aggregate amount of premiums earned in the case of individual policies.		Not Applicable
	14VAC5-170-120 A 2	All filings of rates and rating schedules shall demonstrate that expected claims in relation to premiums comply with the requirements of this section when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can be expected to meet the appropriate loss ratio standards.		Not Applicable

Pre-Standardized Medicare Supplement Forms	14VAC5-170-120 A 3	<p>For policies issued prior to July 30, 1992, expected claims in relation to premiums shall meet:</p> <ul style="list-style-type: none"> <li>(a) The originally filed anticipated loss ratio when combined with the actual experience since inception;</li> <li>(b) The appropriate loss ratio requirement from subdivisions 1 a and 1 b of this subsection when combined with actual experience beginning with July 1, 1991, to date; and</li> <li>(c) The appropriate loss ratio requirement from subdivisions 1 a and 1 b of this subsection over the entire future period for which the rates are computed to provide coverage.</li> </ul>		Not Applicable
Annual Rate and Experience Filing	14VAC5-170-120 C	<p>An issuer of Medicare supplement policies and certificates issued before or after July 30, 1992, in this Commonwealth shall file annually its rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy duration for approval by the State Corporation Commission in accordance with the filing requirements and procedures prescribed by the State Corporation Commission. The supporting documentation shall also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the appropriate loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. An expected third-year loss ratio which is greater than or equal to the applicable percentage shall be demonstrated for policies or certificates in force less than three years.</p>		Not Applicable
Actuarial Certification for Medicare Supplement Rate Revision Filings	14VAC5-170-120 C	<p>For annual rate and experience filings, an actuarial certificate by a qualified actuary that the best of the actuary's knowledge and judgment, the following items are true with respect to the filing as follows:</p> <ol style="list-style-type: none"> <li>1. The assumptions present the actuary's best judgment as to the reasonable value for each assumption and are consistent with the issuer's business plan at the time of the filing;</li> <li>2. The anticipated lifetime loss ratio, future loss ratios, and except for policies issued prior to July 30, 1992, third-year loss ratios all exceed the applicable ratio;</li> <li>3. Except for policies issued prior to July 30, 1992, the filed rates maintain the proper relationship between policies which had different rating methodologies;</li> <li>4. The filing was prepared based on the current standards of practices as promulgated by the Actuarial Standards Board, including the data quality standard of practice, as described at: <a href="http://www.actuary.org">www.actuary.org</a>;</li> <li>5. The filing is in compliance with the applicable laws and regulations in this Commonwealth; and</li> </ol>		Not Applicable

		6. The premiums are reasonable in relation to the benefits provided.		
Actuarial Certification for Medicare Supplement Rate Revision Filings	14VAC5-170-130 B	For proposed rate changes, an actuarial certificate by a qualified actuary that to the best of the actuary's knowledge and judgment, the following items are true with respect to the filing as follows: 1. The assumptions present the actuary's best judgment as to the reasonable value for each assumption and are consistent with the issuer's business plan at the time of the filing; 2. The anticipated lifetime loss ratio, future loss ratios, and except for policies issued prior to July 30, 1992, third-year loss ratio all exceed the applicable ratio; 3. The filing was prepared based on the current standards or practices as promulgated by the Actuary Standards Board including the data quality standard of practice as described at: <a href="http://www.actuary.org">www.actuary.org</a> ; 4. The filing is in compliance with applicable laws and regulations in this Commonwealth; and 5. The premiums are reasonable in relation to the benefits provided.		Not Applicable
Chance in the Rating Structure or Methodology of a Medicare Supplement Form	14VAC5-170-130 D 3	A change in the rating structure or methodology shall be considered a discontinuance under subdivision 1 of this subsection unless the issuer complies with the following requirements: (a) The issuer provides an actuarial memorandum, in a form and manner prescribed by the State Corporation Commission, describing the manner in which the revised rating methodology and resultant rates differ from the existing rating methodology and existing rates. (b) The issuer does not subsequently put into effect a change of rates or rating factors that would cause the percentage differential between the discontinued and subsequent rates as described in the actuarial memorandum to change.		Not Applicable
For Coverage in the Individual and Small Group Health Insurance Markets Risk Pools and Index Rates	14VAC5-130-81 A & B	The claims experience of all enrollees in all health benefit plans are members of a single risk pool. <i>(Not applicable to grandfathered coverage).</i>		Not Applicable
	14VAC5-130-81 C	Each plan year or policy year, as applicable, a health insurance issuer shall: 1. Establish an index rate based on the total combined claim costs for providing essential health benefits within the single risk pool of the individual or small group market;		Not Applicable

		<ol style="list-style-type: none"> <li>2. The index rate may be adjusted on a market-wide basis based on the total expected market-wide payments and charges under the risk adjustment and reinsurance programs in this Commonwealth and the health benefit exchange user fees, and</li> <li>3. The premium rate for all of the health insurance issuer's plans shall use the applicable index rate, as adjusted in accordance with subsection D of this section.</li> </ol>		
	14VAC5-130-81 D	<p>A health insurance issuer may vary premium rates for a particular plan from its index rate for a relevant state market based on the following actuarially justified plan–specified factors:</p> <ol style="list-style-type: none"> <li>1. The actuarial value and cost-sharing design on the plan.</li> <li>2. The plan's provider network, delivery system characteristics, and utilization management practices.</li> <li>3. The benefits provided under the plan that are in addition to the essential health benefits. These additional benefits shall be pooled with similar benefits within a single risk pool and the claims experience from those benefits shall be utilized to determine rate variations for plans that offer those benefits in addition to essential health benefits.</li> <li>4. Administrative costs, excluding health benefit exchange user fees.</li> <li>5. With respect to catastrophic plans, the expected impact of the specific eligibility categories for those plans.</li> </ol>		Not Applicable

I hereby certify that I have reviewed the attached rate review requirement filing and determined that it is in compliance with the rate review requirement checklist.

Signed: Todd Moltumyr

Digitally signed by Todd Moltumyr  
DN: cn=Todd Moltumyr, o=TriPlus Services, Inc., ou=email-tmoltumyr@triplus.net, c=US  
Date: 2018.07.26 10:34:51 -0500

Name (please print): Todd Moltumyr

Company Name: TriPlus Services, Inc.

Date: 7/20/2018 Phone No: ( ) (224) 217-9037 FAX No: ( ) \_\_\_\_\_

E-Mail Address: tmoltumyr@tripluservices.com

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<u>Product</u>	<u>Number</u>
PrinCare Long-Term Care (LTC I)	FR 142
Long-Term Care Insurance for the Principal Financial Group (PLTC)	FR 601

The LTC I product was marketed by Principal Financial Group (“Principal”) effective September 1, 1989. Certificates were issued in Virginia from October 1989 through April 1992. The contract was filed as a discretionary group policy, which was issued to a trust. Each employer group subscribed to the trust, agreeing to sponsor the long-term care coverage for its employees. After an individual product was introduced (LTC II), this product was gradually phased out of the market. It was acquired by MedAmerica Insurance Company (“MedAmerica”) on a 100% reinsurance basis in 1996.

The PLTC group policy was effective January 1, 1990 and was offered to the Principal employees, retirees, and their family members. In the year 2000, the company discontinued the subsidy of the plan for Principal employees, which resulted in a shock lapse of approximately 40%. Certificates were issued in Virginia from July 1992 through June 1999. It was also acquired by MedAmerica (on a 100% reinsurance basis) in 1996. Both products are no longer being marketed in any jurisdiction.

**1. Purpose of Filing**

This actuarial memorandum has been prepared for the purpose of demonstrating that the requested rate increase for the above-listed products meets the minimum requirements of your jurisdiction and demonstrating compliance with its loss ratio regulation. It may not be suitable for other purposes.

**2. Description of Benefits**

Both products provide comprehensive coverage on a reimbursement basis. They have benefit eligibility requirements that involve activities of daily living (ADL) deficiencies or cognitive impairment. Waiver of premium is provided when certain benefits are being paid. A daily benefit, benefit period, and elimination period were selected at issue.

For LTC I, at issue the insured may have had the option to choose a simple inflation option. The inflation option increases the initial daily benefit amount 10% every three years for 15 years. The increasing benefits apply even when the insured is in claim status. At issue, the insured may have had the option of selecting a three or a five year benefit period, with elimination period options of 20, 60 or 100 days. Home health care/adult day/respite care benefits were paid at 50% of the selected nursing home daily benefit. A lifetime premium payment option was used.

For PLTC, at issue the insured may have had the option to choose one of two inflation options. The benefit increase option increases in the initial daily benefit amount 5% compounded annually to a limit of 200% or 300% of the original amount, or until the insured reached age 80, whichever is first. At issue, the insured may have had the option of selecting home health care/adult day care/ respite

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are at 50% or 75% of the selected nursing home daily benefit, and a return of premium at death rider. A lifetime premium payment option was used.

The available choices for each policy form for the benefit period, elimination period, home care percentage and inflation option are shown in Section 20.

A contingent benefit upon lapse (CBUL) will be available to all insureds.

**3. Renewability**

These certificates are guaranteed renewable for life.

**4. Applicability**

As these certificates are no longer being sold in any jurisdiction, this filing is applicable to in-force policies only. The premium changes will apply to the base forms as well as all applicable options and riders.

**5. Actuarial Assumptions**

All actuarial assumptions relative to morbidity, lapse and mortality are consistent with the best-estimate assumptions used in 2015 asset-adequacy testing by MedAmerica.

- a. Morbidity. Incurred claim costs for each policy were based on Milliman’s 2014 Long Term Care Guidelines. Claims were adjusted to a percentage of the Guidelines based on the company reported experience. The following tables show the claim cost adjustment factors based on a company morbidity study performed in 2015 for the Principal block.

<b>Duration</b>	<b>Durational Factor</b>	<b>Duration</b>	<b>Durational Factor</b>
1	.52	16	.62
2	.53	17	.62
3	.55	18	.63
4	.56	19	.64
5	.57	20	.64
6	.59	21	.65
7	.60	22	.66
8	.62	23	.67
9	.62	24	.69
10	.61	25	.71
11	.61	26	.74
12	.60	27	.76
13	.60	28	.78
14	.61	29	.78
15	.61	30+	.78

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<b>Attained Age Adjustment Factors</b>	
<b>Attained Age</b>	<b>Factor</b>
<65	.83
65-69	.97
70-74	1.10
75-79	1.17
80-84	1.05
85-89	1.64
90+	1.43

<b>Coverage Type Factors</b>	
<b>Coverage Type</b>	<b>Factor</b>
Comprehensive	.90
Nursing Home Only	1.09

An additional factor of 1.08 was applied to incurred claims for all policies at all durations. In the projection, morbidity improvement of 1.5% per year for 30 years was assumed.

- b. Lapse Rates vary by duration. The experience used to develop the lapse assumptions was the Principal group certificates issued from inception through 2007. The voluntary lapse rates are shown in the following table.

<b>Voluntary Lapse Rates</b>	
<b>Duration</b>	<b>Lapse Rate</b>
1	7.5%
2	7.0%
3	6.0%
4	5.5%
5	4.5%
6	4.0%
7	3.5%
8	3.5%
9	3.0%
10	2.0%
11	1.5%
12+	1.0%

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- c. Mortality. Gender distinct 1994 Group Annuitant Mortality (GAM) was assumed, and was adjusted with selection factors. The mortality selection factors were based on a company termination study performed in 2015.

<b>25-Year Mortality Selection Factors</b>			
<b>Policy Duration</b>	<b>Factor</b>	<b>Policy Duration</b>	<b>Factor</b>
1	35%	14	71%
2	40	15	72
3	45	16	72
4	49	17	73
5	53	18	74
6	56	19	76
7	60	20	77
8	64	21	79
9	65	22	80
10	66	23	80
11	68	24	80
12	69	25+	80
13	70		

Mortality Improvement per year of 1.0% for males and .5% for females was assumed for 30 years in the projection.

- d. Certificate holder Behavior Due to the Rate Increase. At the time of the rate increase, certificate holders have the option to elect a CBUL or reduced benefit options (RBO). The CBUL election rate is assumed to be 8%. We assume that the election rate for the Principal group forms will be greater than experienced by MedAmerica’s other blocks due to the size of the increase being requested. Adverse selection assumed based on actuarial judgment relative to CBUL elections is 9% in calendar 2018, wearing off to 6% in 2019, and 3% in years 2020-2066. A certificate holder who elects CBUL forfeits any return of premium that may have been due upon death.

The percentage reduction to premium and benefits due to RBO elections was derived from the actual RBO election rates based on experience of MedAmerica’s other blocks and actuarial judgment. We assume that those electing RBO will reduce their benefits so that premiums after the increase are equivalent to those before the increase. We assume that the percent reduction in premium corresponds to an equivalent reduction in claims. A 20% RBO election rate is assumed, resulting in an impact on premium and claims of approximately 10%.

The PLTC product currently only offers an unlimited benefit period. In conjunction with this rate increase request, Principal will offer a benefit period reduction option from the unlimited

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benefit period to a three-year benefit period as indicated in Section 17. Accepting this benefit period downgrade will allow the certificate holder to continue paying the current premium.

- e. Interest Rate. Pursuant to 14 VAC5-200-150.B, loss ratios are calculated using an interest rate of 5.22%, which is the average maximum interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia, based on the issue year distribution of nationwide policies in force at December 31, 2016.
- f. Expenses have not been explicitly projected. With the exception of renewal commission rates, it is assumed that the originally filed expense assumptions remain appropriate. The company anticipates adjusting renewal commission rates so that total commissions paid before and after this increase in premium is similar (i.e., commissions will not be paid on the increased premium).

The above assumptions are based on the experience of the Principal block, industry experience and judgment. The experience period is inception through December 31, 2016. These assumptions are based on the nationwide experience of the particular policy forms in this filing. The above assumptions are deemed reasonable for the particular policy forms in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy form were taken into consideration.

**6. Marketing Method**

The PLTC certificates were marketed in Virginia internally by Principal. The LTC I certificates were marketed in Virginia by agents and brokers of Principal.

**7. Underwriting Description**

For the PLTC block, underwriting approval was required by Principal except in cases of employees with 10 or more years of service and their spouses. Employees with 10 or more years of service and their spouses were eligible to purchase the Basic Plan without underwriting approval. If they chose to purchase more benefits than the Basic Plan, underwriting approval was required. The applicant must have applied within 31 days of eligibility, otherwise benefits were available with underwriting approval only, and there was no company subsidy.

For the LTC I block, all eligible individuals in groups with voluntary participation were individually underwritten. Active at work employees were subject to short form underwriting. All others were subject to full underwriting.

Various underwriting tools in addition to the application were used, which may have included medical records, an attending physician's statement, telephone interview, and/or face-to-face assessment.

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**8. Premiums**

Premiums are unisex and payable for life. The premiums vary by issue age, benefit period, initial daily benefit, home care percentage, elimination period, inflation option, and the selection of any riders.

**9. Issue Age Range**

Issue ages vary by policy form. For LTC I, issue ages are from 20 to 80. For PLTC, issue ages are from 18 to 100.

**10. Area Factors**

Area factors are not used for these products.

**11. Premium Modalization Rules**

The following modal factors and nationwide percent distributions (based on in-force count as of December 31, 2016 of the Principal) are applied to the monthly premium (MP):

<b>Premium Mode</b>	<b>Modal Factors</b>	<b>Percent Distribution</b>
Monthly	1.00*MP	47%
Quarterly	3.00*MP	25%
Semi-Annual	5.86*MP	6%
Annual	11.43*MP	22%

**12. Reserves**

Active life reserves and reserves for the election of a CBUL have not been used in this rate increase analysis. Claim reserves as of December 31, 2016 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2016 has been allocated to the 2016 calendar year of incurral and included in historic incurred claims.

**13. Trend Assumptions**

An explicit medical cost trend is not included in the projections.

**14. Actual to Expected Experience**

Exhibit I provides a comparison of (a) actual and projected experience using current assumptions and (b) expected experience using original pricing assumptions. Included are calendar year earned premiums, incurred claims, annual loss ratios, cumulative loss ratios, and the ratio of actual-to-expected (A:E) loss ratios. Exhibit II provides the same information as Exhibit I, but based on

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Principal's Virginia-specific experience. Virginia-specific experience is not considered fully credible, but is being provided as it is usually requested. Values in Exhibits I and II are shown before any increases, after any approved increases, and after the proposed rate increase. Lifetime loss ratios in Exhibits I and II are calculated as the sum of accumulated past and discounted future claims divided by the sum of the accumulated past and discounted future earned premium.

We understand that the Bureau requires experience to be bifurcated based on the effective date of rate stability for the purposes of demonstrating compliance with the applicable loss ratio standards. Nationwide, there are 18 of 3,014 certificates in force at December 31, 2016 that were issued on or after October 1, 2003, the effective date of rate stability regulation in Virginia. No certificates were issued on or after October 1, 2003 in Virginia. The experience of these 18 certificates nationwide has been removed from Exhibit I.

Actual experience is provided from inception through 2016 and then projected on a seriatim basis for 50 years using the current best-estimate assumptions described above in section 5.

Expected experience was projected on a seriatim basis from issue using the original pricing assumptions and the actual mix of policies sold.

Exhibit III shows nationwide and past experience including earned premiums, incurred claims, increase in ALR, and incurred loss ratios by calendar year. Exhibit IV provides similar information, but based on Virginia-specific experience. Virginia-specific experience is not considered fully credible but is being provided as required. Please note that the changes in ALR were not available prior to 1996, when MedAmerica acquired the block, and therefore were estimated. The incurred loss ratios shown in Exhibits III and IV are calculated as defined by 14 VAC5-130-70-B.6 (i.e., equal to the sum of incurred claims and increase in ALR divided by earned premium). The values in these exhibits are shown without interest accumulation.

Exhibit V provides a comparison of the current and original pricing assumptions.

The experience in Exhibit I reflects the nationwide experience of the Principal, across the above-referenced forms and similar nationwide forms.

**15. History of Previous Rate Revisions**

There have been no previous rate revisions on these forms in Virginia.

Nationwide, there have been two prior rate increase requests on this block of business, which began in September 2010. Departments of Insurance filed these increases for use between 2011 and 2017. As the goal of achieving similar cumulative rate increases across all jurisdictions is ongoing, additional increases have also been filed for use in 2018. On average, a cumulative increase of 76% has been filed for use on this block of business.

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Regardless of the prior increase implemented in a particular jurisdiction, the company anticipates requesting an actuarially equivalent cumulative rate increase level across all jurisdictions, except where the rate increase may be limited by regulatory restrictions.

**16. Analysis Performed to Consider a Rate Increase**

Exhibits I and II demonstrate that experience has been more adverse from that expected in original pricing as the lifetime loss ratio exceeds 124% nationwide. The adverse experience is due to a combination of higher persistency and morbidity.

**17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements**

Although a larger premium rate increase is currently supportable under loss ratio regulation, to minimize the impact on certificate holders to the extent that the company can, a 29.5% increase is being requested at this time. As the company is not issuing new business, the required statement that the renewal premium rate schedules are not greater than new business premium rate schedules is not applicable. The company is requesting a rate increase which varies by benefit period as shown in the table below. The rate increase was determined by benefit period to better align the rate increase with the adverse experience and current rate relativities. The rate increase was determined in such a way that the company is sharing in the cost of the rate increase with consumers and is not attempting to recoup past losses or lost revenue.

<b>Benefit Period</b>	<b>Requested Increase</b>
<b>Limited Plans</b>	20.0%
<b>Unlimited Plan<sup>[1]</sup></b>	31.0%
<b>Average All BP</b>	29.5%

**[1] If a PLTC certificate holder with an unlimited plan chooses to downgrade to a 3- year benefit period, there will be no increase in premium.**

Current and proposed rate schedules are enclosed with this filing. The 3-year benefit period option has been added to the proposed rate schedules for PLTC. The rates implemented may vary slightly due to rounding algorithms.

Projected experience assuming the requested increase is implemented is shown in Exhibits I and II. As shown in these exhibits, the anticipated lifetime loss ratio without and with the requested rate increase exceeds the minimum loss ratio requirement of 60%, and the original pricing loss ratio of 90%.

Exhibit VI demonstrates that the requested rate increase passes the Bureau’s commonly requested “anticipated loss ratio test” based on (a) nationwide experience regardless of issue date, and (b) Virginia-specific experience. For the loss ratio calculations shown in Exhibit VI, the numerator is

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equal to the anticipated incurred claims less the ALR and the denominator is equal to the anticipated earned premium. The nationwide and Virginia-specific experience underlying Exhibit VI is identical to that used in Exhibits I and II. Virginia-specific experience is not considered fully credible but is being provided as required.

**18. Average Annual Premium (Annualized Premium Based on December 31, 2016 In-Force)**

Benefit Period	Virginia			Nationwide		
	In-Force Insured Count	Before Increase Premium	After Cumulative Increase Premium	In-Force Insured Count	Before Increase Premium	After Cumulative Increase Premium
Limited Plans	1	\$196	\$235	287	\$463	\$762
Unlimited Plan	4	\$305	\$400	2,727	\$406	\$842
<b>Total</b>	5	\$283	\$367	3,014	\$411	\$835

**19. Proposed Effective Date**

This rate increase will apply to policies on their next premium payment date following at least a 75-day certificate holder notification period following approval.

**20. Distribution of Business as of December 31, 2016 (based on in-force insured count)**

Issue Age	Nationwide		
	LTC I	PLTC	Total
<b>&lt; 40</b>	47%	44%	44%
<b>40-44</b>	8%	16%	15%
<b>45-49</b>	10%	14%	14%
<b>50-54</b>	11%	11%	11%
<b>55-59</b>	9%	9%	9%
<b>60-64</b>	8%	5%	5%
<b>65-69</b>	6%	1%	2%
<b>70-74</b>	1%	0%	<1%
<b>75+</b>	0%	0%	0%

**PRINCIPAL LIFE INSURANCE COMPANY**

**Address: 711 High Street, Des Moines, Iowa 50392**

**Actuarial Memorandum**

**November 20, 2019**

<b>Attained Age</b>	<b>Nationwide</b>		
	<b>LTC I</b>	<b>PLTC</b>	<b>Total</b>
<b>40-44</b>	3%	<1%	<1%
<b>45-49</b>	10%	4%	4%
<b>50-54</b>	19%	14%	13%
<b>55-59</b>	13%	17%	17%
<b>60-64</b>	10%	15%	15%
<b>65-69</b>	8%	16%	15%
<b>70-74</b>	10%	13%	12%
<b>75-79</b>	9%	10%	10%
<b>80-84</b>	9%	8%	8%
<b>85-89</b>	7%	3%	4%
<b>90-94</b>	1%	<1%	1%
<b>95-99</b>	0%	0%	<1%

<b>Elimination Period</b>	<b>Nationwide</b>		
	<b>LTC I</b>	<b>PLTC</b>	<b>Total</b>
<b>20 days</b>	52%	11%	15%
<b>60 days</b>	26%	12%	13%
<b>100 days</b>	22%	77%	72%

<b>Benefit Period</b>	<b>Nationwide</b>		
	<b>LTC I</b>	<b>PLTC</b>	<b>Total</b>
<b>1095 days</b>	36%	NA	3%
<b>1825 days</b>	64%	NA	6%
<b>Unlimited days</b>	NA	100%	91%

**PRINCIPAL LIFE INSURANCE COMPANY**

Address: 711 High Street, Des Moines, Iowa 50392

**Actuarial Memorandum**

**November 20, 2019**

Inflation Option	Nationwide		
	LTC I	PLTC	Total
None	6%	NA	<1%
5% Cmpd until age 80 or 200%	NA	82%	74%
5% Cmpd until age 80 or 300%	NA	18%	16%
10% Simp 15 yrs	94%	NA	9%

Home Care %	Nationwide		
	LTC I	PLTC	Total
50% HC	100%	79%	81%
75% HC	NA	21%	19%

Return of Premium	Nationwide		
	LTC I	PLTC	Total
None	100%	71%	74%
ROP at Death	NA	29%	26%

**21. Number of Insureds and Annualized Premium**

Based on the in-force count as of December 31, 2016 of Principal in this jurisdiction, the number of insured and annualized premium that will be affected by this increase are:

Jurisdiction	Number of Insureds		Annualized Premium <sup>[1]</sup>		Total	
	LTC I	PLTC	LTC I	PLTC	Number of Insureds	Annualized Premium <sup>[1]</sup>
Nationwide <sup>[2]</sup>	287	2,727	\$132,773	\$1,106,955	3,014	\$1,239,728

[1] Annualized premiums reflect prior rate increases approved Nationwide.

[2] Excludes policies issued on or after October 1, 2003, the effective date of rate stability in Virginia.

**PRINCIPAL LIFE INSURANCE COMPANY**

**Address: 711 High Street, Des Moines, Iowa 50392**

**Actuarial Memorandum**

**November 20, 2019**

**22. Actuarial Certification**

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance."

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance, including the provisions of 14VAC5-200-150.

In my opinion, the rates have been calculated in a manner that complies with accepted actuarial practices, are uniformly applied to all policies within each issue age rate class, are not excessive or unfairly discriminatory, and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions, or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by MedAmerica to develop this memorandum, including but not limited to management's view of when a rate change may be considered, underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided, but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.



Todd M. Moltumyr, ASA, MAAA  
TriPlus Services, Inc.

Date: November 20, 2019

**Health Insurance Rate Request Summary**  
**Summary of Key Information**

Rates are being increased on all certificates issued under these policy forms to offset anticipated claims that are higher than originally expected. This is due in part to individuals living longer and keeping their certificates longer, which resulted in more claims being filed than anticipated when these policies were originally priced. As a result, premiums need to be adjusted to aid in the funding to pay current and anticipated future claims. This premium increase is designed to offset some of these anticipated increased costs, and in no way reflects on the integrity of an individual's certificate, nor is it based on an individual's claim history, current age, health status, or any other personal factors.

As required, we have filed our request for this premium increase with the Virginia Bureau of Insurance (Bureau) and included the necessary actuarial data requested by the Bureau to support the increase.

Health Insurance Rate Request Summary  
Part 1 – To Be Completed By Company

Reset Form

Company Name and NAIC Number: Principal Life Insurance Company - NAIC 61271

SERFF Tracking Number: TRIP-131594000

Effective Date: This rate increase will apply to policies on their next premium

(Projected) Number of Insureds Affected: 5

New Rates  
Average Annual Premium Per Member: N/A

Revised Rates  
Average Annual Premium Per Member: 367

Average Requested Percentage Rate Change Per Member: 29.5%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 31%

Plans Affected  
(The Form Number and "Product Name")

Form#	"Product Name"(if applicable)
FR 142 FR 601	PrinCare Long-Term Care Certificate (LTC I) Long Term Care Insurance for the Principal Financial Group Certificate (PLTC)

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.



July 20, 2018

Honorable Jacqueline K. Cunningham  
Commissioner of Insurance  
Virginia Bureau of Insurance (Bureau)  
1300 East Main Street  
Richmond, Virginia 23219

Via *SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Commissioner Cunningham:

The referenced rate filing is being submitted on behalf of Principal for your review.

These are existing group policy forms that provide comprehensive long-term care coverage on a reimbursement basis. Policies were issued in Virginia from October 1, 1989 to June 1, 1999 and are no longer being marketed in any jurisdiction.

In 1996, MedAmerica assumed 100% of the risk on the Principal block, and manages the entire block. All of the policies remain on Principal paper.

Principal is requesting the approval of a premium rate increase on the captioned policy forms which varies by benefit period. The primary reason why these forms are in need of a premium rate increase is due to emerging experience running more adverse than expected in pricing. The increase varies by benefit period to more closely align the adverse experience, and to reflect current rate relativities.

<b>Benefit Period</b>	<b>Proposed Increase Year 1</b>	<b>Proposed Increase Year 2</b>	<b>Proposed Increase Year 3</b>	<b>Cumulative Increase</b>
Limited BP	20%	20%	20%	73%
Unlimited BP	31%	31%	31%	125%

The cumulative average rate increase across all benefit periods is 118% in Virginia.

As noted in the enclosed actuarial memorandum, there have been no previous rate revisions on these forms in Virginia.

Principal will offer insureds affected by the premium increase the option of reducing their policy benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the increase. The company will offer a contingent benefit upon lapse to insureds that trigger a substantial rate increase. Additionally, Principal will voluntarily offer a contingent benefit upon lapse to insureds affected by the rate increase, even if the increase is not considered substantial.

Enclosed with this submission is a policyholder notification letter, provided by the company, which is in compliance with 14 VAC5-200-75. Additionally, a contingent nonforfeiture (CNF) benefit election form is provided to policyholders alongside the notification letter is also being filed with the Bureau. Enclosed with this submission are the appropriate statement of variability, certification of compliance, and readability certification for these forms, as required.

The following electronic items are included with this submission:

- cover letter
- Rate Revision Review Requirements Checklist
- Health Insurance Rate Request Summary
- letter from Principal authorizing us to submit this filing on their behalf
- claims and administrative processing plan, as provided by MedAmerica
- actuarial memorandum
- original actuarial memorandum
- current and proposed premium rate schedules
- policyholder notification letter
- CNF election form
- statement of variability
- certificate of compliance
- readability certification

No filing fee is required for this submission.

The contact person for this filing is:

Todd Moltumyr, ASA, MAAA  
TriPlus Services, Inc  
2800 South River Road  
Suite 440  
Des Plaines, IL 60018  
(224) 217-9037  
[tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com)

Thank you for your assistance in reviewing this filing.

Respectfully,



Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial

Enclosures

## **Appendix A**

### **Development and Justification of Current Morbidity Assumptions**

The morbidity assumption was developed by Milliman based on historical experience. Where actual experience had low credibility or did not exist, industry experience was also used. The experience used to develop these assumptions includes historical experience of MedAmerica Insurance Company (MAPA); MAPA's two sister companies, MedAmerica Insurance Company of Florida (MAFL) and MedAmerica Insurance Company of New York (MANY) (MAPA, MAFL, and MANY collectively referred to as MedAmerica); MedAmerica's affinity partners that issued the same products; and MedAmerica's acquired business, including Principal. The methodology used to develop the current morbidity assumption is provided below.

#### ***Morbidity***

The claims costs were developed using the 2014 *Milliman Long-Term Care Guidelines (Guidelines)*. A:E experience analyses were performed to develop most likely (with no explicit margin) morbidity experience adjustments to be applied to the 2014 *Guidelines* claim costs. The experience used includes historical experience for all products of MedAmerica, its affinity partners, and any acquired business from 2004 through 2014, with runout through June 2015. The claim costs were then further adjusted based on historical claim experience by policy duration, attained age, and coverage type, to the extent credible.

A:E adjustment factors were developed using a complex and proprietary Excel-based model. Adjustments were developed by the following parameters: policy duration, attained age, coverage type, group/individual, benefit payment type, company, and product. The adjustment factors were calculated using an algorithm that simultaneously and iteratively updates the adjustment factors until the adjusted expected incurred claims match actual incurred claims, to the extent credible. The adjusted expected incurred claims equal the 2014 *Guidelines* (with adjustments for historical improvement) multiplied by the A:E adjustment factors. The iterative process normalizes the adjustments for each parameter because the adjusted expected incurred claims capture the adjustments made for the other characteristics and thus normalizes the underlying mix differences.

Exhibit A-1 provides the A:E adjustment factors that are applicable to the Principal block after multiplying the appropriate combination of factors for policy duration, attained age, and coverage type.

Exhibit A-2 provides an indication of the goodness of fit. Exhibit A-2 provides the credibility and ratio of actual to adjusted expected incurred claims by policy duration band and attained age band. The credibility and ratio's numerator (actual incurred claims) reflects the Principal Individual and Group blocks' combined experience. The ratio's denominator (adjusted expected incurred claims) is equal the unadjusted expected incurred claims (2014 *Guidelines*) multiplied by the A:E adjustment factors. The actual-to-adjusted expected ratio provides an indication of the goodness of fit of the assumption relative to actual experience, where a ratio close to 1.00 is a good fit. The actual-to-adjusted expected ratio is close to 1.00 where the experience is fully credible. As can be seen from the Total row (shaded grey), the actual to adjusted expected ratio is close to 1.00. Note that the goodness of fit test by attained age band includes only experience for durations seven and later to reduce the impact of the selection period in the goodness of fit test.

**Exhibit A-1  
MedAmerica and Affinity Partners  
Actual-to-Expected Morbidity Adjustment Factors  
Applicable to the Principal Product**

Duration	Individual Adjustment Factor	Group Adjustment Factor
1	0.89	0.52
2	0.86	0.53
3	0.83	0.55
4	0.79	0.56
5	0.76	0.57
6	0.73	0.59
7	0.71	0.60
8	0.68	0.62
9	0.70	0.62
10	0.72	0.61
11	0.74	0.61
12	0.76	0.60
13	0.78	0.60
14	0.78	0.61
15	0.79	0.61
16	0.80	0.62
17	0.81	0.62
18	0.82	0.63
19	0.80	0.64
20	0.78	0.64
21	0.76	0.65
22	0.74	0.66
23	0.72	0.67
24	0.74	0.69
25	0.75	0.71
26	0.77	0.74
27	0.78	0.76
28	0.80	0.78
29	0.80	0.78
30+	0.80	0.78

Attained Age	Adjustment Factor
<65	0.83
65-69	0.97
70-74	1.10
75-79	1.17
80-84	1.05
85-89	1.64
90+	1.43

Coverage Type	Adjustment Factor
Comprehensive	0.90
Nursing Home Only	1.09
Home Care Only	1.23

**Exhibit A-2**  
**MedAmerica and Affinity Partners**  
**Actual to Adjusted Expected Incurred Claims**  
**Principal Individual and Group Policy Forms**

<b>Experience By Policy Duration</b>		
<b>All Durations</b>		
Duration	Credibility	Actual to Adjusted Expected
1	0%	1.00
2	0%	1.00
3	0%	1.00
4	0%	1.00
5	0%	0.00
6	0%	1.00
7	0%	1.00
8	0%	0.04
9	0%	0.00
10	14%	0.72
11	21%	1.12
12	25%	0.75
13	36%	1.26
14	38%	1.09
15	40%	0.83
16	39%	1.05
17	43%	1.12
18	44%	1.00
19	42%	0.85
20	41%	0.97
21	38%	0.91
22	34%	1.34
23	22%	0.81
24	17%	1.22
25	5%	0.40
1-5	0%	0.00
6-10	14%	0.51
11-15	74%	1.00
16-20	94%	0.99
21-25	58%	1.03
<b>Total</b>	<b>100%</b>	<b>0.99</b>

<b>Experience By Attained Age</b>		
<b>Durations 7 and Later</b>		
Attained Age	Credibility	Actual to Adjusted Expected
<65	16%	0.71
65-69	20%	0.54
70-74	42%	1.05
75-79	59%	1.04
80-84	71%	0.95
85-89	72%	1.08
90+	41%	0.99
<70	26%	0.62
<75	49%	0.88
<80	77%	0.97
<85	100%	0.96
65-79	75%	0.99
70-84	100%	1.00
75-89	100%	1.02
70+	100%	1.02
75+	100%	1.02
80+	100%	1.01
85+	83%	1.06

**Appendix A**  
**Exhibit A-3**  
**Principal Group Policy Forms**  
**Actual Lapse Experience Analysis**

<b>Duration</b>	<b>Actual Exposures</b>	<b>Number of Lapses</b>	<b>Actual Lapse Rate</b>	<b>Current Best Estimate Lapse Rate</b>	<b>Actual/Best Estimate</b>
1	7,436	513	6.9%	7.5%	0.92
2	7,634	603	7.9%	7.0%	1.13
3	7,355	427	5.8%	6.0%	0.97
4	6,791	394	5.8%	5.5%	1.05
5	6,215	242	3.9%	4.5%	0.87
6	5,770	254	4.4%	4.0%	1.10
7	5,419	179	3.3%	3.5%	0.94
8	5,094	260	5.1%	3.5%	1.46
9	4,161	137	3.3%	3.0%	1.10
10	4,009	100	2.5%	2.0%	1.25
11	3,859	54	1.4%	1.5%	0.93
12+	41,561	335	0.8%	1.0%	0.81
<b>Total</b>	<b>105,305</b>	<b>3,498</b>	<b>3.3%</b>	<b>3.3%</b>	<b>1.01</b>

**Appendix A**  
**Exhibit A-4**  
**All Principal Policy Forms**  
**Actual Mortality Experience Analysis**

<b>Duration</b>	<b>Mortality Exposure</b>	<b>Actual Mortality Rate</b>	<b>Expected Mortality Rate <sup>[1]</sup></b>	<b>Mortality A:E</b>	<b>Credibility Percent <sup>[2]</sup></b>	<b>Smoothed Selection</b>
1	14,139	0.4%	0.5%	76%	35%	35%
2	13,240	0.2%	0.5%	45%	26%	40%
3	12,441	0.3%	0.6%	43%	26%	45%
4	11,712	0.3%	0.7%	42%	27%	49%
5	11,030	0.3%	0.8%	43%	28%	53%
6	10,528	0.5%	0.9%	60%	34%	56%
7	10,064	0.6%	1.0%	55%	35%	60%
8	9,675	0.7%	1.1%	62%	37%	64%
9	8,936	0.9%	1.3%	69%	40%	65%
10	8,431	0.9%	1.4%	66%	41%	66%
11	8,189	1.0%	1.6%	63%	41%	68%
12	8,031	1.2%	1.7%	70%	45%	69%
13	7,864	1.2%	1.9%	65%	45%	70%
14	7,707	1.5%	2.0%	73%	49%	71%
15	7,543	1.6%	2.2%	73%	50%	72%
16	7,354	1.8%	2.4%	74%	52%	72%
17	7,087	2.1%	2.6%	81%	56%	73%
18	6,800	2.1%	2.8%	74%	54%	74%
19	6,462	2.1%	3.1%	69%	54%	76%
20	5,804	2.6%	3.4%	75%	56%	77%
21	4,725	2.7%	3.5%	79%	52%	79%
22	3,724	2.8%	3.4%	84%	47%	80%
23	2,715	2.5%	3.1%	83%	38%	80%
24	989	3.3%	3.1%	109%	26%	80%
25	465	2.4%	2.7%	89%	15%	80%
26	9	11.6%	6.9%	170%	5%	80%
<b>ALL</b>	<b>195,663</b>	<b>1.1%</b>	<b>1.5%</b>	<b>69%</b>	<b>100%</b>	<b>69%</b>

[1] Based on 1994 GAM Mortality

[2] (Number of Events / 481) <sup>1/2</sup>

**Exhibit I**  
**Principal Life Insurance Company**  
**Actual to Expected Experience by Calendar Year**  
**Nationwide Experience at Original Rates**  
**Group Policy Forms PLTC and LTC I - Policies Issued prior to October 1, 2003**

Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios		
	A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
	Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.22% Interest	Expected (Column G) with 5.22% Interest	Actual-to-Expected Ratio
1989	3,552	-	0%	21	3,552	510	14%	20	0%	14%	0.00
1990	298,371	-	0%	1,180	300,002	48,314	16%	1,151	0%	16%	0.00
1991	595,841	-	0%	1,341	614,122	98,442	16%	1,349	0%	16%	0.00
1992	1,356,053	540,122	40%	4,671	1,409,404	240,585	17%	4,560	23%	17%	1.40
1993	1,535,520	-	0%	4,851	1,556,134	295,403	19%	4,786	14%	18%	0.82
1994	1,583,822	241,925	15%	5,255	1,553,424	336,517	22%	5,058	15%	19%	0.78
1995	1,636,071	89,204	5%	5,690	1,552,382	381,094	25%	5,424	13%	20%	0.64
1996	1,725,452	196,689	11%	6,159	1,607,122	440,823	27%	5,631	12%	21%	0.59
1997	1,783,884	109,531	6%	6,433	1,633,432	497,807	30%	5,785	11%	22%	0.51
1998	1,817,184	74,369	4%	6,711	1,629,475	557,667	34%	5,890	11%	24%	0.45
1999	1,837,519	414,457	23%	6,611	1,630,151	623,352	38%	5,740	12%	25%	0.47
2000	1,613,125	394,987	24%	4,050	1,594,409	688,736	43%	5,519	13%	27%	0.48
2001	1,406,409	520,872	37%	3,925	1,524,388	752,240	49%	5,327	14%	28%	0.51
2002	1,381,114	617,017	45%	3,861	1,456,449	825,434	57%	5,144	16%	30%	0.54
2003	1,362,340	1,107,694	81%	3,771	1,392,409	900,879	65%	4,975	19%	32%	0.61
2004	1,331,842	711,940	53%	3,700	1,325,817	978,831	74%	4,810	21%	34%	0.62
2005	1,301,721	1,000,225	77%	3,651	1,262,263	1,062,851	84%	4,654	23%	36%	0.65
2006	1,273,010	1,141,975	90%	3,590	1,201,613	1,141,401	95%	4,507	25%	38%	0.67
2007	1,247,709	767,326	61%	3,531	1,143,146	1,207,565	106%	4,345	27%	40%	0.67
2008	1,218,573	1,080,853	89%	3,467	1,086,207	1,271,400	117%	4,195	28%	42%	0.68
2009	1,174,064	1,182,421	101%	3,400	1,030,806	1,334,620	129%	4,047	30%	44%	0.69
2010	1,146,822	1,489,956	130%	3,358	976,986	1,396,079	143%	3,900	33%	46%	0.71
2011	1,120,445	2,172,322	194%	3,281	924,681	1,455,388	157%	3,754	36%	48%	0.75
2012	1,077,237	1,846,178	171%	3,231	873,960	1,511,375	173%	3,611	39%	50%	0.77
2013	1,044,518	3,286,787	315%	3,180	824,848	1,563,953	190%	3,469	43%	52%	0.83
2014	1,008,633	789,080	78%	3,114	777,376	1,611,412	207%	3,329	44%	54%	0.81
2015	969,781	1,608,803	166%	3,066	731,573	1,654,426	226%	3,191	46%	56%	0.82
2016	936,887	2,807,518	300%	2,996	687,466	1,678,364	244%	3,055	49%	58%	0.85
2017	908,181	3,140,278	346%	2,914	645,082	1,711,912	265%	2,922	52%	59%	0.88
2018	868,119	3,409,007	393%	2,833	604,432	1,742,029	288%	2,790	56%	61%	0.91
2019	828,203	3,640,430	440%	2,750	565,508	1,767,667	313%	2,661	59%	63%	0.94
2020	788,582	3,854,314	489%	2,667	528,305	1,790,181	339%	2,533	63%	65%	0.97
2021	749,407	4,019,113	536%	2,583	492,799	1,810,361	367%	2,409	66%	67%	1.01
2022	710,827	4,141,932	583%	2,498	458,978	1,827,504	398%	2,286	70%	68%	1.03
2023	672,978	4,244,115	631%	2,414	426,821	1,841,672	431%	2,166	73%	69%	1.06
2024	635,983	4,334,323	682%	2,329	396,296	1,851,807	467%	2,049	77%	71%	1.08
2025	599,954	4,411,282	735%	2,244	367,371	1,859,850	506%	1,934	80%	72%	1.11
2026	564,985	4,466,089	790%	2,159	340,007	1,865,598	549%	1,822	83%	73%	1.13
2027	531,157	4,525,375	852%	2,075	314,153	1,867,992	595%	1,713	86%	75%	1.15
2028	498,537	4,557,957	914%	1,991	289,759	1,867,171	644%	1,606	88%	76%	1.17
2029	467,178	4,601,344	985%	1,907	266,774	1,862,080	698%	1,503	91%	77%	1.19
2030	437,117	4,627,093	1059%	1,825	245,144	1,854,200	756%	1,402	94%	78%	1.20
2031	408,376	4,658,621	1141%	1,743	224,814	1,843,004	820%	1,305	96%	79%	1.22
2032	380,964	4,672,951	1227%	1,662	205,726	1,827,413	888%	1,210	99%	80%	1.23
2033	354,879	4,703,874	1325%	1,583	187,823	1,807,471	962%	1,119	101%	81%	1.25
2034	330,104	4,718,258	1429%	1,504	171,047	1,782,487	1042%	1,031	103%	82%	1.26
2035	306,614	4,721,742	1540%	1,427	155,357	1,753,731	1129%	947	105%	83%	1.27
2036	284,377	4,686,976	1648%	1,352	140,707	1,720,255	1223%	866	107%	83%	1.28
2037	263,351	4,640,726	1762%	1,278	127,051	1,681,516	1323%	789	109%	84%	1.29
2038	243,494	4,586,213	1883%	1,205	114,351	1,638,424	1433%	716	111%	85%	1.30
2039	224,757	4,513,526	2008%	1,134	102,564	1,590,576	1551%	646	112%	85%	1.31
2040	207,093	4,427,471	2138%	1,065	91,650	1,538,316	1678%	580	114%	86%	1.32
2041	190,454	4,325,006	2271%	997	81,568	1,480,620	1815%	518	115%	87%	1.33
2042	174,796	4,224,135	2417%	931	72,285	1,417,406	1961%	460	116%	87%	1.34
2043	160,077	4,103,677	2564%	868	63,762	1,349,410	2116%	406	118%	87%	1.34
2044	146,258	3,983,766	2724%	806	55,962	1,276,891	2282%	356	119%	88%	1.35
2045	133,302	3,848,340	2887%	746	48,850	1,200,407	2457%	310	120%	88%	1.36
2046	121,145	3,742,729	3089%	688	42,393	1,120,114	2642%	268	121%	89%	1.36
2047	109,719	3,615,992	3296%	632	36,560	1,036,594	2835%	229	122%	89%	1.37
2048	99,009	3,465,369	3500%	578	31,318	951,375	3038%	194	122%	89%	1.37
2049	89,000	3,314,912	3725%	526	26,630	865,222	3249%	163	123%	89%	1.38
2050	79,675	3,151,073	3955%	477	22,463	778,796	3467%	136	124%	89%	1.38
2051	71,015	2,962,560	4172%	430	18,782	692,993	3690%	112	124%	90%	1.39
2052	63,002	2,749,247	4364%	385	15,556	609,024	3915%	91	125%	90%	1.39
2053	55,614	2,519,649	4531%	343	12,754	528,307	4142%	73	125%	90%	1.40
2054	48,830	2,277,695	4664%	304	10,341	451,817	4369%	58	126%	90%	1.40
2055	42,630	2,030,369	4763%	267	8,285	380,414	4592%	45	126%	90%	1.40
2056	36,989	1,788,296	4835%	234	6,552	315,067	4809%	34	126%	90%	1.40
2057	31,886	1,558,670	4888%	203	5,110	256,404	5018%	26	127%	90%	1.41
2058	27,298	1,343,879	4923%	174	3,926	204,812	5217%	19	127%	90%	1.41
2059	23,200	1,147,832	4948%	149	2,967	160,304	5402%	14	127%	90%	1.41
2060	19,565	970,412	4960%	126	2,203	122,728	5571%	10	127%	90%	1.41
2061	16,366	812,266	4963%	105	1,604	91,898	5729%	7	127%	90%	1.41
2062	13,573	673,131	4959%	88	1,144	67,194	5875%	5	127%	90%	1.41
2063	11,157	552,255	4950%	72	797	47,864	6005%	3	127%	90%	1.41
2064	9,085	448,714	4939%	59	541	33,210	6137%	2	127%	90%	1.41
2065	7,325	361,004	4928%	47	358	22,525	6285%	1	127%	90%	1.41
2066	5,846	287,707	4921%	38	232	15,717	6763%	1	127%	90%	1.41
without interest											
History	34,787,498	24,192,254	70%	108,095	32,303,597	24,555,468	76%	117,229	49%	58%	0.85
Future	14,052,032	164,561,696	1171%	57,412	8,035,462	58,180,329	724%	42,547	828%	536%	1.54
Lifetime	48,839,531	188,753,950	386%	165,507	40,339,058	82,735,797	205%	159,775	127%	90%	1.41
with 5.22% interest											
History	75,749,327	36,951,936	49%		71,859,983	41,418,049	58%				
Future	8,495,407	70,374,380	828%		5,242,945	28,124,795	536%				
Lifetime	84,244,735	107,326,317	127%		77,102,928	69,542,844	90%				

**Exhibit I**  
**Principal Life Insurance Company**  
**Actual to Expected Experience by Calendar Year**  
**Nationwide Experience With Prior Approved Increases**  
**Group Policy Forms PLTC and LTC I - Policies Issued prior to October 1, 2003**

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Actual (Column C) with 5.22% Interest	Expected (Column G) with 5.22% Interest	Actual-to-Expected Ratio
Historical Experience	1989	3,552	-	0%	21	3,552	510	14%	20	0%	14%	0.00
	1990	298,371	-	0%	1,180	300,002	48,314	16%	1,151	0%	16%	0.00
	1991	595,841	-	0%	1,341	614,122	98,442	16%	1,349	0%	16%	0.00
	1992	1,356,053	540,122	40%	4,671	1,409,404	240,585	17%	4,560	23%	17%	1.40
	1993	1,535,520	-	0%	4,851	1,556,134	295,403	19%	4,786	14%	18%	0.82
	1994	1,583,822	241,925	15%	5,255	1,553,424	336,517	22%	5,058	15%	19%	0.78
	1995	1,636,071	89,204	5%	5,690	1,552,382	381,094	25%	5,424	13%	20%	0.64
	1996	1,725,452	196,689	11%	6,159	1,607,122	440,823	27%	5,631	12%	21%	0.59
	1997	1,783,884	109,531	6%	6,433	1,633,432	497,807	30%	5,785	11%	22%	0.51
	1998	1,817,184	74,369	4%	6,711	1,629,475	557,667	34%	5,890	11%	24%	0.45
	1999	1,837,519	414,457	23%	6,611	1,630,151	623,352	38%	5,740	12%	25%	0.47
	2000	1,613,125	394,987	24%	4,050	1,594,409	688,736	43%	5,519	13%	27%	0.48
	2001	1,406,409	520,872	37%	3,925	1,524,388	752,240	49%	5,327	14%	28%	0.51
	2002	1,381,114	617,017	45%	3,861	1,456,449	825,434	57%	5,144	16%	30%	0.54
	2003	1,362,340	1,107,694	81%	3,771	1,392,409	900,879	65%	4,975	19%	32%	0.61
	2004	1,331,842	711,940	53%	3,700	1,325,817	978,831	74%	4,810	21%	34%	0.62
2005	1,301,721	1,000,225	77%	3,651	1,262,263	1,062,851	84%	4,654	23%	36%	0.65	
2006	1,273,010	1,141,975	90%	3,590	1,201,613	1,141,401	95%	4,507	25%	38%	0.67	
2007	1,247,709	767,326	61%	3,531	1,143,146	1,207,565	106%	4,345	27%	40%	0.67	
2008	1,218,573	1,080,853	89%	3,467	1,086,207	1,271,400	117%	4,195	28%	42%	0.68	
2009	1,174,064	1,182,421	101%	3,400	1,030,806	1,334,620	129%	4,047	30%	44%	0.69	
2010	1,146,822	1,489,956	130%	3,358	976,986	1,396,079	143%	3,900	33%	46%	0.71	
2011	1,120,445	2,172,322	194%	3,281	924,681	1,455,388	157%	3,754	36%	48%	0.75	
2012	1,249,550	1,846,178	148%	3,231	873,960	1,511,375	173%	3,611	38%	50%	0.77	
2013	1,211,873	3,286,787	271%	3,180	824,848	1,563,953	190%	3,469	43%	52%	0.83	
2014	1,170,438	789,080	67%	3,114	777,376	1,611,412	207%	3,329	43%	54%	0.81	
2015	1,125,346	1,608,803	143%	3,066	731,573	1,654,426	226%	3,191	45%	56%	0.81	
2016	1,086,591	2,807,518	258%	2,996	687,466	1,678,364	244%	3,055	48%	56%	0.84	
2017	1,053,388	3,140,278	298%	2,914	645,082	1,711,912	265%	2,922	51%	59%	0.87	
2018	1,007,077	3,409,007	339%	2,833	604,432	1,742,029	288%	2,790	55%	61%	0.90	
2019	960,923	3,640,430	379%	2,750	565,508	1,767,667	313%	2,661	58%	63%	0.93	
2020	915,096	3,854,314	421%	2,667	528,305	1,790,181	339%	2,533	62%	65%	0.96	
2021	869,772	4,019,113	462%	2,583	492,799	1,810,361	367%	2,409	65%	66%	0.99	
2022	825,121	4,141,932	502%	2,498	458,978	1,827,504	398%	2,286	69%	68%	1.01	
2023	781,303	4,244,115	543%	2,414	426,821	1,841,672	431%	2,166	72%	69%	1.04	
2024	738,461	4,334,323	587%	2,329	396,296	1,851,807	467%	2,049	75%	71%	1.06	
2025	696,722	4,411,282	633%	2,244	367,371	1,859,850	506%	1,934	78%	72%	1.08	
2026	656,197	4,466,089	681%	2,159	340,007	1,865,598	549%	1,822	81%	73%	1.10	
2027	616,982	4,525,375	733%	2,075	314,153	1,867,992	595%	1,713	84%	75%	1.12	
2028	579,157	4,557,957	787%	1,991	289,759	1,867,171	644%	1,606	86%	76%	1.14	
2029	542,782	4,601,344	848%	1,907	266,774	1,862,080	698%	1,503	89%	77%	1.16	
2030	507,904	4,627,093	911%	1,825	245,144	1,854,200	756%	1,402	92%	78%	1.17	
2031	474,549	4,658,621	982%	1,743	224,814	1,843,004	820%	1,305	94%	79%	1.19	
2032	442,729	4,672,951	1055%	1,662	205,726	1,827,413	888%	1,210	96%	80%	1.20	
2033	412,441	4,703,874	1140%	1,583	187,823	1,807,471	962%	1,119	98%	81%	1.21	
2034	383,669	4,718,258	1230%	1,504	171,047	1,782,487	1042%	1,031	100%	82%	1.23	
2035	356,385	4,721,742	1325%	1,427	155,357	1,753,731	1129%	947	102%	83%	1.24	
2036	330,551	4,686,976	1418%	1,352	140,707	1,720,255	1223%	866	104%	83%	1.25	
2037	306,122	4,640,726	1516%	1,278	127,051	1,681,516	1323%	789	106%	84%	1.26	
2038	283,047	4,586,213	1620%	1,205	114,351	1,638,424	1433%	716	108%	85%	1.27	
2039	261,272	4,513,526	1728%	1,134	102,564	1,590,576	1551%	646	109%	85%	1.28	
2040	240,741	4,427,471	1839%	1,065	91,650	1,538,316	1678%	580	111%	86%	1.29	
2041	221,401	4,325,006	1953%	997	81,568	1,480,620	1815%	518	112%	87%	1.30	
2042	203,201	4,224,135	2079%	931	72,285	1,417,406	1961%	460	113%	87%	1.30	
2043	186,092	4,103,677	2205%	868	63,762	1,349,410	2116%	406	115%	87%	1.31	
2044	170,028	3,983,766	2343%	806	55,962	1,276,891	2282%	356	116%	88%	1.32	
2045	154,968	3,848,340	2483%	746	48,850	1,200,407	2457%	310	117%	88%	1.32	
2046	140,837	3,742,729	2657%	688	42,393	1,120,114	2642%	268	118%	89%	1.33	
2047	127,556	3,615,992	2835%	632	36,560	1,036,594	2835%	229	118%	89%	1.33	
2048	115,108	3,465,369	3011%	578	31,318	951,375	3038%	194	119%	89%	1.34	
2049	103,474	3,314,912	3204%	526	26,630	865,222	3249%	163	120%	89%	1.34	
2050	92,636	3,151,073	3402%	477	22,463	778,796	3467%	136	121%	89%	1.35	
2051	82,572	2,962,560	3588%	430	18,782	692,993	3690%	112	121%	90%	1.35	
2052	73,260	2,749,247	3753%	385	15,556	609,024	3915%	91	122%	90%	1.36	
2053	64,674	2,519,649	3896%	343	12,754	528,307	4142%	73	122%	90%	1.36	
2054	56,790	2,277,695	4011%	304	10,341	451,817	4369%	58	122%	90%	1.36	
2055	49,583	2,030,369	4095%	267	8,285	380,414	4592%	45	123%	90%	1.36	
2056	43,027	1,788,296	4156%	234	6,552	315,067	4809%	34	123%	90%	1.37	
2057	37,096	1,558,670	4202%	203	5,110	256,404	5018%	26	123%	90%	1.37	
2058	31,762	1,343,879	4231%	174	3,926	204,812	5217%	19	123%	90%	1.37	
2059	26,998	1,147,832	4252%	149	2,967	160,304	5402%	14	124%	90%	1.37	
2060	22,771	970,412	4262%	126	2,203	122,728	5571%	10	124%	90%	1.37	
2061	19,051	812,266	4264%	105	1,604	91,898	5729%	7	124%	90%	1.37	
2062	15,803	673,131	4260%	88	1,144	67,194	5875%	5	124%	90%	1.37	
2063	12,992	552,255	4251%	72	797	47,864	6005%	3	124%	90%	1.37	
2064	10,581	448,714	4241%	59	541	33,210	6137%	2	124%	90%	1.37	
2065	8,533	361,004	4230%	47	358	22,525	6285%	1	124%	90%	1.37	
2066	6,812	287,707	4224%	38	232	15,717	6763%	1	124%	90%	1.38	
		without interest				without interest						
History		35,594,240	24,192,254	68%	108,095	32,303,597	24,555,468	76%	117,229	48%	58%	0.84
Future		16,319,994	164,561,696	1008%	57,412	8,035,462	58,180,329	724%	42,547	713%	536%	1.33
Lifetime		51,914,234	188,753,950	364%	165,507	40,339,058	82,735,797	205%	159,775	124%	90%	1.38
		with 5.22% interest				with 5.22% interest						
History		76,671,176	36,951,936	48%		71,859,983	41,418,049	58%				
Future		9,863,399	70,374,380	713%		5,242,945	28,124,795	536%				
Lifetime		86,534,574	107,326,317	124%		77,102,928	69,542,844	90%				

**Exhibit I**  
**Principal Life Insurance Company**  
**Actual to Expected Experience by Calendar Year**  
**Nationwide Experience After Requested Increase**  
**Group Policy Forms PLTC and LTC I - Policies Issued prior to October 1, 2003**

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Incurred Loss Ratio	End of Year Lives	Actual (Column C) with 5.22% Interest	Expected (Column G) with 5.22% Interest	Actual-to-Expected Ratio
Historical Experience	1989	3,552	-	0%	21	3,552	510	14%	20	0%	14%	0.00
	1990	298,371	-	0%	1,180	300,002	48,314	16%	1,151	0%	16%	0.00
	1991	595,841	-	0%	1,341	614,122	98,442	16%	1,349	0%	16%	0.00
	1992	1,356,053	540,122	40%	4,671	1,409,404	240,585	17%	4,560	23%	17%	1.40
	1993	1,535,520	-	0%	4,851	1,556,134	295,403	19%	4,786	14%	18%	0.82
	1994	1,583,822	241,925	15%	5,255	1,553,424	336,517	22%	5,058	15%	19%	0.78
	1995	1,636,071	89,204	5%	5,690	1,552,382	381,094	25%	5,424	13%	20%	0.64
	1996	1,725,452	196,689	11%	6,159	1,607,122	440,823	27%	5,631	12%	21%	0.59
	1997	1,783,884	109,531	6%	6,433	1,633,432	497,807	30%	5,785	11%	22%	0.51
	1998	1,817,184	74,369	4%	6,711	1,629,475	557,667	34%	5,890	11%	24%	0.45
	1999	1,837,519	414,457	23%	6,611	1,630,151	623,352	38%	5,740	12%	25%	0.47
	2000	1,613,125	394,987	24%	4,050	1,594,409	688,736	43%	5,519	13%	27%	0.48
	2001	1,406,409	520,872	37%	3,925	1,524,388	752,240	49%	5,327	14%	28%	0.51
	2002	1,381,114	617,017	45%	3,861	1,456,449	825,434	57%	5,144	16%	30%	0.54
	2003	1,362,340	1,107,694	81%	3,771	1,392,409	900,879	65%	4,975	19%	32%	0.61
	2004	1,331,842	711,940	53%	3,700	1,325,817	978,831	74%	4,810	21%	34%	0.62
2005	1,301,721	1,000,225	77%	3,651	1,262,263	1,062,851	84%	4,654	23%	36%	0.65	
2006	1,273,010	1,141,975	90%	3,590	1,201,613	1,141,401	95%	4,507	25%	38%	0.67	
2007	1,247,709	767,326	61%	3,531	1,143,146	1,207,565	106%	4,345	27%	40%	0.67	
2008	1,218,573	1,080,853	89%	3,467	1,086,207	1,271,400	117%	4,195	28%	42%	0.68	
2009	1,174,064	1,182,421	101%	3,400	1,030,806	1,334,620	129%	4,047	30%	44%	0.69	
2010	1,146,822	1,489,956	130%	3,358	976,986	1,396,079	143%	3,900	33%	46%	0.71	
2011	1,120,445	2,172,322	194%	3,281	924,681	1,455,388	157%	3,754	36%	48%	0.75	
2012	1,249,550	1,846,178	148%	3,231	873,960	1,511,375	173%	3,611	38%	50%	0.77	
2013	1,211,873	3,286,787	271%	3,180	824,848	1,563,953	190%	3,469	43%	52%	0.83	
2014	1,170,438	789,080	67%	3,114	777,376	1,611,412	207%	3,329	43%	54%	0.81	
2015	1,125,346	1,608,803	143%	3,066	731,573	1,654,426	226%	3,191	45%	56%	0.81	
2016	1,086,591	2,807,518	258%	2,996	687,466	1,678,364	244%	3,055	48%	56%	0.84	
Projected Future Experience (50 Years)	2017	1,104,570	3,140,278	284%	2,914	645,082	1,711,912	265%	2,922	51%	59%	0.87
	2018	1,341,776	3,325,114	248%	2,606	604,432	1,742,029	288%	2,790	55%	61%	0.89
	2019	1,622,664	3,445,580	212%	2,530	565,508	1,767,667	313%	2,661	57%	63%	0.91
	2020	1,536,268	3,648,016	237%	2,453	528,305	1,790,181	339%	2,533	60%	65%	0.93
	2021	1,460,760	3,803,995	260%	2,376	492,799	1,810,361	367%	2,409	63%	66%	0.95
	2022	1,386,282	3,920,240	283%	2,298	458,978	1,827,504	398%	2,286	66%	68%	0.97
	2023	1,313,099	4,016,954	306%	2,220	426,821	1,841,672	431%	2,166	68%	69%	0.99
	2024	1,241,458	4,102,334	330%	2,142	396,296	1,851,807	467%	2,049	71%	71%	1.01
	2025	1,171,573	4,175,173	356%	2,064	367,371	1,859,850	506%	1,934	74%	72%	1.02
	2026	1,103,644	4,227,047	383%	1,986	340,007	1,865,598	549%	1,822	76%	73%	1.04
	2027	1,037,845	4,283,159	413%	1,909	314,153	1,867,992	595%	1,713	78%	75%	1.05
	2028	974,319	4,313,998	443%	1,831	289,759	1,867,171	644%	1,606	81%	76%	1.06
	2029	913,179	4,355,063	477%	1,755	266,774	1,862,080	698%	1,503	83%	77%	1.07
	2030	854,511	4,379,433	513%	1,679	245,144	1,854,200	756%	1,402	85%	78%	1.09
	2031	798,365	4,409,274	552%	1,604	224,814	1,843,004	820%	1,305	87%	79%	1.10
	2032	744,768	4,422,837	594%	1,529	205,726	1,827,413	888%	1,210	89%	80%	1.11
	2033	693,726	4,452,105	642%	1,456	187,823	1,807,471	962%	1,119	90%	81%	1.12
	2034	645,221	4,465,719	692%	1,384	171,047	1,782,487	1042%	1,031	92%	82%	1.13
	2035	599,213	4,469,016	746%	1,313	155,357	1,753,731	1129%	947	94%	83%	1.14
	2036	555,645	4,436,111	798%	1,244	140,707	1,720,255	1223%	866	96%	83%	1.14
	2037	514,443	4,392,337	854%	1,175	127,051	1,681,516	1323%	789	97%	84%	1.15
	2038	475,527	4,340,741	913%	1,109	114,351	1,638,424	1433%	716	98%	85%	1.16
	2039	438,807	4,271,944	974%	1,043	102,564	1,590,576	1551%	646	100%	85%	1.17
	2040	404,196	4,190,496	1037%	979	91,650	1,538,316	1678%	580	101%	86%	1.17
	2041	371,603	4,093,515	1102%	917	81,568	1,480,620	1815%	518	102%	87%	1.18
	2042	340,944	3,998,043	1173%	857	72,285	1,417,406	1961%	460	103%	87%	1.19
	2043	312,134	3,884,033	1244%	798	63,762	1,349,410	2116%	406	104%	87%	1.19
	2044	285,097	3,770,540	1323%	741	55,962	1,276,891	2282%	356	105%	88%	1.20
	2045	259,760	3,642,362	1402%	686	48,850	1,200,407	2457%	310	106%	88%	1.20
	2046	235,994	3,542,404	1501%	633	42,393	1,120,114	2642%	268	107%	89%	1.21
	2047	193,268	3,422,450	1771%	581	36,560	1,036,594	2835%	229	108%	89%	1.21
	2048	213,851	3,279,889	1534%	532	31,318	951,375	3038%	194	108%	89%	1.22
	2049	172,515	3,137,485	1819%	484	26,630	865,222	3249%	163	109%	89%	1.22
	2050	155,026	2,982,415	1924%	439	22,463	778,796	3467%	136	109%	89%	1.22
2051	138,143	2,803,992	2030%	395	18,782	692,993	3690%	112	110%	90%	1.23	
2052	122,526	2,602,097	2124%	354	15,556	609,024	3915%	91	110%	90%	1.23	
2053	108,134	2,384,788	2205%	316	12,754	528,307	4142%	73	111%	90%	1.23	
2054	94,922	2,155,784	2271%	280	10,341	451,817	4369%	58	111%	90%	1.24	
2055	82,848	1,921,696	2320%	246	8,285	380,414	4592%	45	111%	90%	1.24	
2056	71,867	1,692,579	2355%	215	6,552	315,067	4809%	34	112%	90%	1.24	
2057	61,935	1,475,244	2382%	186	5,110	256,404	5018%	26	112%	90%	1.24	
2058	53,006	1,271,949	2400%	160	3,926	204,812	5217%	19	112%	90%	1.24	
2059	45,031	1,086,396	2413%	137	2,967	160,304	5402%	14	112%	90%	1.24	
2060	37,959	918,472	2420%	116	2,203	122,728	5571%	10	112%	90%	1.24	
2061	31,736	768,791	2422%	97	1,604	91,898	5729%	7	112%	90%	1.25	
2062	26,306	637,103	2422%	81	1,144	67,194	5875%	5	112%	90%	1.25	
2063	21,608	522,696	2419%	66	797	47,864	6005%	3	112%	90%	1.25	
2064	17,581	424,697	2416%	54	541	33,210	6137%	2	112%	90%	1.25	
2065	14,163	341,681	2412%	43	358	22,525	6285%	1	112%	90%	1.25	
2066	11,292	272,308	2411%	35	232	15,717	6763%	1	112%	90%	1.25	
		without interest				without interest						
History		35,594,240	24,192,254	68%	108,095	32,303,597	24,555,468	76%	117,229	48%	58%	0.84
Future		26,411,111	156,020,376	591%	53,051	8,035,462	58,180,329	724%	42,547	428%	536%	0.80
Lifetime		62,005,351	180,212,630	291%	161,146	40,339,058	82,735,797	205%	159,775	112%	90%	1.25
		with 5.22% interest				with 5.22% interest						
History		76,671,176	36,951,936	48%		71,859,983	41,418,049	58%				
Future		15,608,708	66,862,859	428%		5,242,945	28,124,795	536%				
Lifetime		92,279,883	103,814,795	112%		77,102,928	69,542,844	90%				

**Exhibit II**  
**Principal Life Insurance Company**  
**Actual to Expected Experience by Calendar Year**  
**Virginia Specific Experience at Original Rates**  
**Group Policy Forms PLTC and LTC I**

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Actual (Column C) with 5.22% Interest	Expected (Column G) with 5.22% Interest	Actual-to-Expected Ratio
Historical Experience	1989	128	-	0%	3	128	30	23%	3	0%	23%	0.00
	1990	1,348	-	0%	8	1,369	301	22%	9	0%	22%	0.00
	1991	2,411	-	0%	8	2,830	566	20%	10	0%	21%	0.00
	1992	2,412	-	0%	6	3,207	560	17%	12	0%	19%	0.00
	1993	1,913	-	0%	5	3,305	548	17%	11	0%	19%	0.00
	1994	1,484	-	0%	5	3,103	522	17%	11	0%	18%	0.00
	1995	1,484	-	0%	5	2,930	522	18%	10	0%	18%	0.00
	1996	1,849	-	0%	7	3,135	627	20%	12	0%	18%	0.00
	1997	2,110	-	0%	7	3,228	724	22%	11	0%	19%	0.00
	1998	2,110	-	0%	7	3,081	779	25%	11	0%	20%	0.00
	1999	2,181	-	0%	9	3,035	861	28%	12	0%	20%	0.00
	2000	1,848	-	0%	6	2,973	945	32%	12	0%	21%	0.00
	2001	1,549	-	0%	6	2,862	1,034	36%	11	0%	22%	0.00
	2002	1,549	-	0%	6	2,757	1,139	41%	11	0%	23%	0.00
	2003	1,549	-	0%	6	2,663	1,246	47%	11	0%	24%	0.00
	2004	1,549	-	0%	6	2,576	1,359	53%	10	0%	25%	0.00
	2005	1,549	-	0%	6	2,489	1,495	60%	10	0%	27%	0.00
	2006	1,549	-	0%	6	2,403	1,646	68%	10	0%	28%	0.00
	2007	1,549	-	0%	6	2,319	1,776	77%	9	0%	29%	0.00
	2008	1,549	-	0%	6	2,234	1,901	85%	9	0%	31%	0.00
2009	1,549	-	0%	6	2,149	2,031	94%	9	0%	32%	0.00	
2010	1,549	-	0%	6	2,065	2,175	105%	8	0%	34%	0.00	
2011	1,549	-	0%	6	1,981	2,327	117%	8	0%	35%	0.00	
2012	1,549	-	0%	6	1,897	2,469	130%	8	0%	37%	0.00	
2013	1,449	-	0%	5	1,813	2,598	143%	8	0%	38%	0.00	
2014	1,417	-	0%	5	1,730	2,738	158%	7	0%	40%	0.00	
2015	1,417	-	0%	5	1,647	2,897	176%	7	0%	42%	0.00	
2016	1,417	1,167	82%	5	1,564	3,056	195%	7	1%	43%	0.03	
Projected Future Experience (50 Years)	2017	1,342	3,570	266%	5	1,482	3,184	215%	6	5%	45%	0.10
	2018	1,293	4,325	335%	5	1,401	3,286	235%	6	8%	46%	0.18
	2019	1,243	4,991	402%	4	1,321	3,388	257%	6	12%	48%	0.26
	2020	1,193	5,296	444%	4	1,242	3,520	283%	6	16%	49%	0.33
	2021	1,142	5,596	490%	4	1,166	3,642	312%	5	20%	51%	0.40
	2022	1,092	5,918	542%	4	1,091	3,718	341%	5	24%	52%	0.47
	2023	1,041	6,130	589%	4	1,019	3,778	371%	5	28%	54%	0.52
	2024	990	6,879	695%	4	949	3,851	406%	4	32%	55%	0.59
	2025	939	7,695	819%	3	882	3,929	446%	4	37%	57%	0.65
	2026	889	7,861	884%	3	817	3,986	488%	4	41%	58%	0.70
	2027	839	7,699	918%	3	755	3,996	529%	4	45%	59%	0.75
	2028	789	7,498	950%	3	696	3,988	573%	4	48%	61%	0.80
	2029	741	7,255	980%	3	639	3,967	621%	3	52%	62%	0.84
	2030	693	7,026	1014%	3	586	3,931	671%	3	55%	63%	0.87
	2031	646	6,952	1076%	2	536	3,885	725%	3	57%	64%	0.90
	2032	601	8,093	1346%	2	488	3,805	779%	3	60%	65%	0.93
	2033	558	8,864	1589%	2	445	3,729	839%	3	64%	66%	0.97
	2034	516	8,789	1704%	2	404	3,648	903%	2	67%	67%	1.00
	2035	476	8,528	1793%	2	366	3,543	967%	2	70%	67%	1.03
	2036	437	8,101	1855%	2	331	3,447	1041%	2	72%	68%	1.06
	2037	400	7,233	1810%	1	298	3,354	1125%	2	74%	69%	1.08
	2038	364	6,503	1787%	1	268	3,264	1219%	2	76%	69%	1.10
	2039	330	6,075	1842%	1	240	3,162	1319%	2	78%	70%	1.11
	2040	298	5,434	1826%	1	214	3,041	1421%	1	79%	70%	1.12
	2041	267	4,748	1777%	1	191	2,930	1537%	1	80%	71%	1.13
	2042	239	4,164	1745%	1	170	2,837	1673%	1	81%	71%	1.14
	2043	212	3,610	1701%	1	150	2,744	1824%	1	82%	72%	1.14
	2044	188	3,103	1652%	1	133	2,633	1984%	1	83%	72%	1.14
	2045	165	3,004	1815%	1	116	2,512	2156%	1	83%	73%	1.15
	2046	145	2,852	1964%	1	102	2,397	2359%	1	84%	73%	1.15
2047	127	2,593	2044%	1	88	2,294	2602%	1	84%	73%	1.15	
2048	110	2,336	2117%	0	76	2,176	2863%	1	85%	73%	1.15	
2049	96	2,101	2199%	0	65	2,035	3134%	0	85%	74%	1.15	
2050	82	1,782	2164%	0	55	1,873	3407%	0	85%	74%	1.15	
2051	71	1,544	2186%	0	46	1,708	3704%	0	85%	74%	1.15	
2052	60	1,383	2298%	0	38	1,534	4013%	0	86%	74%	1.15	
2053	51	1,198	2348%	0	31	1,354	4328%	0	86%	74%	1.15	
2054	43	1,014	2358%	0	25	1,169	4637%	0	86%	74%	1.15	
2055	36	854	2373%	0	20	989	4940%	0	86%	74%	1.15	
2056	30	716	2395%	0	16	817	5234%	0	86%	75%	1.15	
2057	25	597	2422%	0	12	656	5508%	0	86%	75%	1.15	
2058	20	492	2444%	0	9	512	5786%	0	86%	75%	1.15	
2059	16	400	2451%	0	6	385	6033%	0	86%	75%	1.16	
2060	13	322	2450%	0	4	279	6285%	0	86%	75%	1.16	
2061	10	256	2447%	0	3	193	6546%	0	86%	75%	1.16	
2062	8	202	2439%	0	2	124	6734%	0	86%	75%	1.16	
2063	6	156	2403%	0	1	71	6557%	0	86%	75%	1.16	
2064	5	118	2347%	0	1	38	6126%	0	86%	75%	1.16	
2065	4	88	2288%	0	0	18	5351%	0	86%	75%	1.16	
2066	3	64	2229%	0	0	8	4569%	0	86%	75%	1.16	
		without interest				without interest				without interest		
History		45,566	1,167	3%	168	67,472	38,872	58%	266	1%	43%	0.03
Future		20,883	202,008	967%	76	18,996	121,326	639%	96	761%	465%	1.63
Lifetime		66,449	203,176	306%	244	86,468	160,198	185%	362	86%	75%	1.16
		with 5.22% interest				with 5.22% interest				with 5.22% interest		
History		102,007	1,198	1%		153,047	65,991	43%				
Future		12,880	97,957	761%		12,366	57,535	465%				
Lifetime		114,887	99,155	86%		165,412	123,525	75%				

**Exhibit II**  
**Principal Life Insurance Company**  
**Actual to Expected Experience by Calendar Year**  
**Virginia Specific Experience After Requested Increase**  
**Group Policy Forms PLTC and LTC I**

	Calendar Year	Actual or Projected Experience using Current Assumptions				Expected Experience using Pricing Assumptions				Cumulative Loss Ratios		
		A	B	C = B / A	D	E	F	G = F / E	H	I	J	K = I / J
		Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Earned Premium	Incurred Claims	Loss Ratio	End of Year Lives	Actual (Column C) with 5.22% Interest	Expected (Column G) with 5.22% Interest	Actual-to-Expected Ratio
Historical Experience	1989	128	-	0%	3	128	30	23%	3	0%	23%	0.00
	1990	1,348	-	0%	8	1,369	301	22%	9	0%	22%	0.00
	1991	2,411	-	0%	8	2,830	566	20%	10	0%	21%	0.00
	1992	2,412	-	0%	6	3,207	560	17%	12	0%	19%	0.00
	1993	1,913	-	0%	5	3,305	548	17%	11	0%	19%	0.00
	1994	1,484	-	0%	5	3,103	522	17%	11	0%	18%	0.00
	1995	1,484	-	0%	5	2,930	522	18%	10	0%	18%	0.00
	1996	1,849	-	0%	7	3,135	627	20%	12	0%	18%	0.00
	1997	2,110	-	0%	7	3,228	724	22%	11	0%	19%	0.00
	1998	2,110	-	0%	7	3,081	779	25%	11	0%	20%	0.00
	1999	2,181	-	0%	9	3,035	861	28%	12	0%	20%	0.00
	2000	1,848	-	0%	6	2,973	945	32%	12	0%	21%	0.00
	2001	1,549	-	0%	6	2,862	1,034	36%	11	0%	22%	0.00
	2002	1,549	-	0%	6	2,757	1,139	41%	11	0%	23%	0.00
	2003	1,549	-	0%	6	2,663	1,246	47%	11	0%	24%	0.00
	2004	1,549	-	0%	6	2,576	1,359	53%	10	0%	25%	0.00
	2005	1,549	-	0%	6	2,489	1,495	60%	10	0%	27%	0.00
2006	1,549	-	0%	6	2,403	1,646	68%	10	0%	28%	0.00	
2007	1,549	-	0%	6	2,319	1,776	77%	9	0%	29%	0.00	
2008	1,549	-	0%	6	2,234	1,901	85%	9	0%	31%	0.00	
2009	1,549	-	0%	6	2,149	2,031	94%	9	0%	32%	0.00	
2010	1,549	-	0%	6	2,065	2,175	105%	8	0%	34%	0.00	
2011	1,549	-	0%	6	1,981	2,327	117%	8	0%	35%	0.00	
2012	1,549	-	0%	6	1,897	2,469	130%	8	0%	37%	0.00	
2013	1,449	-	0%	5	1,813	2,598	143%	8	0%	38%	0.00	
2014	1,417	-	0%	5	1,730	2,738	158%	7	0%	40%	0.00	
2015	1,417	-	0%	5	1,647	2,897	176%	7	0%	42%	0.00	
2016	1,417	1,167	82%	5	1,564	3,056	195%	7	1%	43%	0.03	
2017	1,342	3,570	266%	5	1,482	3,184	215%	6	5%	45%	0.10	
2018	1,673	4,218	252%	4	1,401	3,286	235%	6	8%	46%	0.18	
2019	1,608	4,724	294%	4	1,321	3,388	257%	6	12%	48%	0.25	
2020	1,542	5,013	325%	4	1,242	3,520	283%	6	16%	49%	0.32	
2021	1,477	5,297	359%	4	1,166	3,642	312%	5	19%	51%	0.38	
2022	1,411	5,601	397%	4	1,091	3,718	341%	5	23%	52%	0.44	
2023	1,344	5,802	432%	3	1,019	3,778	371%	5	27%	54%	0.50	
2024	1,278	6,511	509%	3	949	3,851	406%	4	30%	55%	0.55	
2025	1,212	7,283	601%	3	882	3,929	446%	4	34%	57%	0.61	
2026	1,146	7,440	649%	3	817	3,986	488%	4	38%	58%	0.66	
2027	1,081	7,287	674%	3	755	3,996	529%	4	42%	59%	0.71	
2028	1,017	7,097	698%	3	696	3,988	573%	4	45%	61%	0.74	
2029	953	6,867	720%	2	639	3,967	621%	3	48%	62%	0.78	
2030	891	6,650	746%	2	586	3,931	671%	3	51%	63%	0.81	
2031	830	6,580	792%	2	536	3,885	725%	3	53%	64%	0.84	
2032	772	7,660	992%	2	488	3,805	779%	3	56%	65%	0.87	
2033	715	8,390	1173%	2	445	3,729	839%	3	59%	66%	0.90	
2034	661	8,319	1259%	2	404	3,648	903%	2	62%	67%	0.93	
2035	609	8,071	1326%	2	366	3,543	967%	2	64%	67%	0.96	
2036	558	7,667	1373%	1	331	3,447	1041%	2	67%	68%	0.98	
2037	510	6,846	1342%	1	298	3,354	1125%	2	69%	69%	1.00	
2038	464	6,155	1327%	1	268	3,264	1219%	2	70%	69%	1.02	
2039	420	5,750	1370%	1	240	3,162	1319%	2	72%	70%	1.03	
2040	378	5,143	1360%	1	214	3,041	1421%	1	73%	70%	1.04	
2041	339	4,494	1327%	1	191	2,930	1537%	1	74%	71%	1.05	
2042	302	3,941	1305%	1	170	2,837	1673%	1	75%	71%	1.05	
2043	268	3,416	1275%	1	150	2,744	1824%	1	76%	72%	1.05	
2044	236	2,937	1242%	1	133	2,633	1984%	1	76%	72%	1.06	
2045	208	2,843	1368%	1	116	2,512	2156%	1	77%	73%	1.06	
2046	182	2,700	1484%	1	102	2,397	2359%	1	77%	73%	1.06	
2047	158	2,454	1549%	0	88	2,294	2602%	1	78%	73%	1.06	
2048	137	2,211	1609%	0	76	2,176	2863%	1	78%	73%	1.06	
2049	119	1,989	1677%	0	65	2,035	3134%	0	78%	74%	1.07	
2050	102	1,687	1656%	0	55	1,873	3407%	0	79%	74%	1.07	
2051	87	1,461	1678%	0	46	1,708	3704%	0	79%	74%	1.07	
2052	74	1,309	1769%	0	38	1,534	4013%	0	79%	74%	1.07	
2053	63	1,134	1813%	0	31	1,354	4328%	0	79%	74%	1.07	
2054	53	960	1826%	0	25	1,169	4637%	0	79%	74%	1.07	
2055	44	808	1843%	0	20	989	4940%	0	79%	74%	1.07	
2056	36	678	1864%	0	16	817	5234%	0	79%	75%	1.07	
2057	30	565	1889%	0	12	656	5508%	0	80%	75%	1.07	
2058	24	466	1910%	0	9	512	5786%	0	80%	75%	1.07	
2059	20	379	1918%	0	6	385	6033%	0	80%	75%	1.07	
2060	16	305	1920%	0	4	279	6285%	0	80%	75%	1.07	
2061	13	243	1919%	0	3	193	6546%	0	80%	75%	1.07	
2062	10	191	1915%	0	2	124	6734%	0	80%	75%	1.07	
2063	8	147	1887%	0	1	71	6557%	0	80%	75%	1.07	
2064	6	111	1845%	0	1	38	6126%	0	80%	75%	1.07	
2065	5	83	1799%	0	0	18	5351%	0	80%	75%	1.07	
2066	3	61	1753%	0	0	8	4569%	0	80%	75%	1.07	
		without interest				without interest				without interest		
History		45,566	1,167	3%	168	67,472	38,872	58%	266	1%	43%	0.03
Future		26,434	191,512	724%	70	18,996	121,326	639%	96	574%	465%	1.23
Lifetime		72,000	192,680	268%	238	86,468	160,198	185%	362	80%	75%	1.07
		with 5.22% interest				with 5.22% interest				with 5.22% interest		
History		102,007	1,198	1%		153,047	65,991	43%				
Future		16,216	93,016	574%		12,366	57,535	465%				
Lifetime		118,222	94,214	80%		165,412	123,525	75%				

**Exhibit III**  
**Principal Life Insurance Company**  
**Incurred Loss Ratio Including the Change in Active Life Reserves**  
**Nationwide Experience without Interest**  
**LTC I and PLTC Policy Forms**

Calendar Year	(a) Earned Premium	(b) Incurred Claims	(c) Change in Active Life Reserves <sup>[1]</sup>	(d) = (b+c) / (a) Loss Ratio
1989	3,552	0	0	0%
1990	298,371	0	2,842	1%
1991	595,841	0	262,850	44%
1992	1,356,053	540,122	542,296	80%
1993	1,535,520	0	1,333,139	87%
1994	1,583,822	241,925	1,458,744	107%
1995	1,636,071	89,204	1,773,288	114%
1996	1,725,452	196,689	1,805,120	116%
1997	1,783,884	109,531	2,192,710	129%
1998	1,817,184	74,369	2,069,623	118%
1999	1,837,519	414,457	895,178	71%
2000	1,613,125	394,987	111,923	31%
2001	1,406,409	520,872	1,422,080	138%
2002	1,381,114	617,017	1,896,536	182%
2003	1,362,340	1,107,694	1,540,387	194%
2004	1,337,864	711,940	1,235,433	146%
2005	1,310,830	1,000,225	2,225,106	246%
2006	1,285,104	1,141,975	1,653,922	218%
2007	1,268,805	767,326	1,622,949	188%
2008	1,243,871	1,082,161	1,575,383	214%
2009	1,198,771	1,182,421	2,233,367	285%
2010	1,171,529	1,514,832	1,373,806	247%
2011	1,145,152	2,172,322	1,420,025	314%
2012	1,276,604	1,846,178	1,516,836	263%
2013	1,238,928	3,286,787	2,276,363	449%
2014	1,197,492	789,080	1,313,540	176%
2015	1,152,400	1,608,803	1,535,314	273%
2016	1,113,645	2,973,064	1,167,348	372%
Total	35,877,252	24,383,984	38,456,108	175%

[1] Change in Active Life Reserves for Calendar Years 1989 - 1995 was estimated as this was prior to MedAmerica assuming the block in 1996

**Exhibit IV**  
**Principal Life Insurance Company**  
**Incurred Loss Ratio Including the Change in Active Life Reserves**  
**Virginia Specific Experience without Interest**  
**LTC I and PLTC Policy Forms**

Calendar Year	(a) Earned Premium	(b) Incurred Claims	(c) Change in Active Life Reserves	(d) = (b+c) / (a) Loss Ratio
1989	128	0	0	0%
1990	1,348	0	103	8%
1991	2,411	0	1,246	52%
1992	2,412	0	2,150	89%
1993	1,913	0	2,486	130%
1994	1,484	0	1,818	122%
1995	1,484	0	1,895	128%
1996	1,849	0	1,484	80%
1997	2,110	0	375	18%
1998	2,110	0	2,552	121%
1999	2,181	0	-2,011	-92%
2000	1,848	0	-366	-20%
2001	1,549	0	2,637	170%
2002	1,549	0	2,682	173%
2003	1,549	0	2,769	179%
2004	1,549	0	2,130	138%
2005	1,549	0	3,660	236%
2006	1,549	0	2,998	194%
2007	1,549	0	3,074	198%
2008	1,549	0	3,178	205%
2009	1,549	0	2,991	193%
2010	1,549	0	4,273	276%
2011	1,549	0	3,797	245%
2012	1,549	0	3,569	230%
2013	1,449	0	-434	-30%
2014	1,417	0	3,293	232%
2015	1,417	0	3,346	236%
2016	1,417	1,167	3,637	339%
Total	45,566	1,167	59,332	133%

**Exhibit V**  
**Principal Life Insurance Company**  
**Comparison of Current and Original Pricing Assumptions**  
**LTC I and PLTC Policy Forms**

**Current Assumptions**

**Original Pricing Assumptions**

**Mortality**

1980 Commissioner's Standard Ordinary Basic Tables

25 year mortality selection factors of the 1994 Group Annuitant Mortality (GAM) Static tables are assumed for males and females in all durations. In addition mortality improvement of 1% for males and .5% for females was assumed for 30 years in the projection.

**Lapse Rates**

Lapse rates were developed using the mortality assumption described above and actual LTC I and PLTC policy termination experience from inception through June 30, 2015. Lapse rates vary by duration and are provided in the table below.

Lapse rates vary by issue age and duration.

Duration	Lapse Rate
1	7.5%
2	7.0%
3	6.0%
4	5.5%
5	4.5%
6	4.0%
7	3.5%
8	3.5%
9	3.0%
10	2.0%
11	1.5%
12+	1.0%

Policy Duration	Issue Age										
	to 24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
1	16%	15%	14%	12%	11%	10%	8%	6%	4%	3%	3%
2	11%	10%	9%	7%	7%	7%	6%	5%	4%	3%	3%
3	7%	6%	6%	6%	6%	6%	5%	5%	3%	2%	2%
4	5%	5%	5%	5%	5%	5%	5%	5%	3%	2%	2%
5	5%	5%	5%	5%	5%	5%	5%	5%	3%	2%	2%
6	5%	5%	5%	5%	5%	5%	5%	5%	3%	2%	2%
7	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
8	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
9+	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

**Morbidity**

Projected claim costs for each policy were based on Milliman's 2014 Long Term Care Guidelines. Claims were adjusted to a percentage of pricing based on the company reported experience. The following tables show the claim cost adjustment factors by duration, attained age and coverage type. The assumptions were based on a company morbidity study performed in 2015.

Original pricing claim costs assumptions were developed using Milliman's long-term care database. The data sources for Milliman included the 1977 and 1985 National Nursing Home Surveys, the Connecticut Department of Health Services, Milliman's Health Cost Guidelines, the 1982 and 1984 National LTC Surveys, Medicare, and the National LTC Demonstration. Adjustments were made to reflect the adverse selection and underwriting effect.

**Exhibit V**  
**Principal Life Insurance Company**  
**Comparison of Current and Original Pricing Assumptions**  
**LTC I and PLTC Policy Forms**

**Durational Claim Cost Adjustment Factors**

Duration	Factor	Duration	Factor
1	0.52	16	0.62
2	0.53	17	0.62
3	0.55	18	0.63
4	0.56	19	0.64
5	0.57	20	0.64
6	0.59	21	0.65
7	0.60	22	0.66
8	0.62	23	0.67
9	0.62	24	0.69
10	0.61	25	0.71
11	0.61	26	0.74
12	0.60	27	0.76
13	0.60	28	0.78
14	0.61	29	0.78
15	0.61	30+	0.78

**Attained Age Adjustment Factors**

Attained Age	Factor
<65	0.83
65-69	0.97
70-74	1.10
75-79	1.17
80-84	1.05
85-89	1.64
90+	1.43

**Coverage Type Factors**

Coverage Type	Factor
Comp.	0.90
NH Only	1.09

An additional factor of 1.08 is applied to incurred claims for all policies at all durations.

Interest Rate	
5.0%	7.5%

**Exhibit VI**  
**Principal Life Insurance Company**  
**Anticipated Loss Ratio Test**  
**LTC I and PLTC Policy Forms - Policies Issued Prior to October 1, 2003**

<b>Nationwide Experience with No Increase</b>		
<b>1</b>	Present Value of Future Claims:	63,734,711
<b>2</b>	Active Life Reserves at 12/31/2016:	38,001,890
<b>3</b>	Present Value of Future Premium:	9,296,719
<b>Anticipated Loss Ratio = ( 1 - 2 ) / 3:</b>		<b>277%</b>

<b>Nationwide Experience with 118% increase</b>		
<b>1</b>	Present Value of Future Claims:	60,576,959
<b>2</b>	Active Life Reserves at 12/31/2016:	38,001,890
<b>3</b>	Present Value of Future Premium:	14,662,408
<b>Anticipated Loss Ratio = ( 1 - 2 ) / 3:</b>		<b>154%</b>

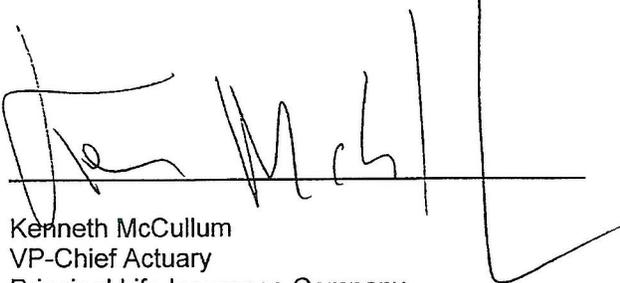
## Letter of Authorization

To: Department of Insurance

Principal Life Insurance Company has reinsured its long-term care insurance block with MedAmerica Insurance Company ("MedAmerica"). MedAmerica has entered into a service agreement with TriPlus Services, Inc. ("TriPlus") effective January 1, 2015, that includes long-term care rate filing services on MedAmerica's behalf. The agreement provides, in part, that TriPlus is responsible for preparing and filing for approval with state insurance departments MedAmerica's long-term care rate increase filings as directed by MedAmerica. TriPlus is also authorized to receive, on MedAmerica's behalf, written and oral communication from each state department of insurance for the purpose of completing the rate increase filing process.

A copy of this letter is as valid as the original. This authorization will be valid for twelve months from the date of this letter. Please accept this letter of authorization for the purpose stated above. Should you have any questions regarding the above, please forward your comments to:

MedAmerica Insurance Company  
165 Court Street  
Rochester, NY 14647



Kenneth McCullum  
VP-Chief Actuary  
Principal Life Insurance Company

11/28/17  
Date

**PRINCIPAL LIFE INSURANCE COMPANY**

**Address: 711 High Street, Des Moines, Iowa 50392**

**Group PLTC and LTC I Demonstration of Compliance with Loss Ratio Standard and Policyholder Protection Measures**

**July 20, 2018**

<u>Product</u>	<u>Number</u>
PrinCare Long-Term Care (LTC I)	FR 142
Long-Term Care Insurance for the Principal Financial Group (PLTC)	FR 601

Changes to Chapter 200 of Title 14 of the Virginia Administration Code (14 VAC5-200) became effective on September 1, 2015. As such, this letter provides the additional information required to comply with the recently adopted changes, as applicable.

**1. Information Regarding Premium Rate Increase Standards**

*14 VAC5-200-150.B*

Attachment 1 to this letter provides demonstration that the requested rate increase meets the requirements of the new minimum loss ratio standard.

Attachment 1 shows that the sum of the accumulated value of incurred claims without the inclusion of active life reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of the following:

- a. The greater of 60% or the lifetime loss ratio used in original pricing, applied to the current rate schedule; plus
- b. 75% applied to any premium rate increase for group policy forms.

Attachment 1 reflects pooled nationwide experience for PLTC and LTC I policies for all issue dates. Nationwide, 3,075 of 3,093 certificates in force were issued prior to October 1, 2003. The master policy under which these certificates were issued was effective January 1, 1990.

Present and accumulated values in Attachment 1, including the lifetime loss ratio used in original pricing, are determined at the maximum valuation interest rate for contract reserves applicable for the year of issue, which ranges from 3.5% to 5.5% depending on the year of issue and averages 5.22%. We understand that this revised regulation will supersede the requirement to use the original pricing interest rates as prescribed by 14 VAC5-130-75.A.

**2. Information Regarding Policyholder Protection Measures**

*14 VAC5-200-75.D*

Enclosed with this filing are sample policyholder notification letters for use with this increase. These letters clearly disclose each of the items required by the above-referenced regulation.

**PRINCIPAL LIFE INSURANCE COMPANY**

**Address: 711 High Street, Des Moines, Iowa 50392**

**Group PLTC and LTC I Demonstration of Compliance with Loss Ratio Standard and Policyholder Protection Measures**

**July 20, 2018**

As noted in the enclosed actuarial memorandum, Principal will notify certificate holders of an upcoming rate increase at least 75 days prior to implementation.

*14 VAC5-200-183*

As part of this rate increase process, Principal will offer insureds affected by the premium increase the option of reducing their certificate benefits to provide flexibility of choice for those insureds who wish to maintain a premium level reasonably similar to what they were paying prior to the increase. Certificate holders who prefer to offset the impact of the requested rate increase may have the option to change one or more of the following plan features in order to lower their premiums: (i) reduce their daily benefit, (ii) shorten their benefit period subject to a minimum of 1,095 days, (iii) lengthen their elimination period subject to a maximum of 365 days, (iv) eliminate their inflation protection; or drop rider coverage.

In the event that the reduction in coverage involves the elimination of a certificate's inflation protection provision, the company will allow the certificate holder to continue the benefit amount in effect at the time of the reduction. Furthermore, the company agrees that the premium for coverage currently in force will be consistent with the approved rate tables.

*14 VAC5-200-185*

As part of this rate increase request, Principal will voluntarily offer a contingent benefit upon lapse (CBUL) to all insureds affected by the rate increase, even if the increase is not considered substantial as defined in the above-referenced regulation. That is, any certificates that lapse due to the requested rate increase will receive some paid-up benefit. The CBUL option is described in the notification letter that will be provided to certificate holders at least 75 days prior to the implementation of the requested rate increase.

**Attachment 1**  
**Demonstration that the Requested Rate Increase Satisfies 14VAC5-200-150 B**  
**Principal Life Insurance Company Nationwide Experience**  
**Group Policy Forms PLTC and LTC I - Policies issued prior to October 1, 2003**

1	Accumulated value of initial earned premium	75,749,327	x	90%	=	68,321,966
2a	Accumulated value of earned premium	76,671,176				
2b	Accumulated value of prior premium rate schedule increases (2a - 1 )	921,848	x	75%	=	691,386
3	Present value of future projected initial earned premium	8,495,407	x	90%	=	7,662,417
4a	Present Value of future projected premium	15,608,708				
4b	Present Value of future projected premium in excess of the projected initial earned premiums (4a - 3)	7,113,300	x	75%	=	5,334,975
<b>5</b>	<b>Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3, and 4b</b>					<b>82,010,744</b>
6a	Accumulated value of incurred claims without the inclusion of active life reserves					36,951,936
6b	Present value of future projected incurred claims without the inclusion of active life reserves					70,374,380
<b>7</b>	<b>Lifetime Incurred claims with Rate Increase: Sum of 6a and 6b</b>					<b>107,326,317</b>
8	Test: 7a is not less than 5					<b>Pass</b>
<p><i>All values are accumulated or discounted at the average maximum valuation interest rate for contract reserves applicable for the year of issue, which is 5.22%.</i></p>						

## **MedAmerica Claim Administration and Processing Documentation**

As the majority of policies to which this rate increase is applicable are eligible for a contingent benefit upon lapse, the following provides a demonstration that MedAmerica Insurance Company (MedAmerica) has consistently applied appropriate policy administration and claim processing procedures. These procedures are in place to assure that policyholders' long-term care claims are paid according to the provisions of our contracts.

Personal Care Advisors (PCAs) in our Claims Intake area determine whether a claimant qualifies for initial benefit eligibility, and create a plan of care for each eligible claimant. Our Rehabilitation/Case Management team then assigns a PCA to handle all aspects of the insured's contact with the Company, including care planning, ongoing care management, and supervision of claim payment.

While the PCAs are knowledgeable about all of the long term care products administered by the Company, each one specializes in a handful of products to increase claim payment accuracy. For chronically stable patients for whom rehabilitation is unlikely and site of care changes occur infrequently, specialized PCAs are assigned whose primary task is timely adjudication of claims and annual reassessment of benefit eligibility.

All claimants are reassessed at least once per year; claimants in Assisted Living or Home Care status are reassessed more frequently. All claims are reviewed prior to payment. Monthly claims audit procedures are in place. Anti-fraud activities are carried out by the staff of the Special Investigations Unit within our parent company.

MedAmerica management believes that these claims management practices are designed to pay claims correctly and help eliminate the potential for further deterioration of the policy form requiring further premium rate schedule increases.

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: None

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>3 Years</u>	<u>3 Years</u>	<u>3 Years</u>

Issue Age

20	0.79	0.78	0.77
21	0.81	0.80	0.79
22	0.84	0.82	0.81
23	0.86	0.84	0.83
24	0.88	0.86	0.85
25	0.90	0.88	0.86
26	0.92	0.90	0.88
27	0.94	0.92	0.90
28	0.97	0.94	0.93
29	0.99	0.97	0.95
30	1.02	1.00	0.98
31	1.06	1.03	1.01
32	1.10	1.07	1.05
33	1.15	1.12	1.09
34	1.20	1.16	1.14
35	1.25	1.22	1.19
36	1.31	1.27	1.24
37	1.38	1.34	1.30
38	1.45	1.40	1.37
39	1.53	1.48	1.44
40	1.61	1.56	1.52
41	1.71	1.66	1.61
42	1.82	1.76	1.71
43	1.93	1.87	1.82
44	2.06	1.99	1.94
45	2.20	2.12	2.07
46	2.35	2.27	2.20
47	2.51	2.42	2.35
48	2.68	2.59	2.51
49	2.88	2.77	2.69
50	3.09	2.97	2.88
51	3.33	3.20	3.11
52	3.59	3.45	3.35
53	3.89	3.73	3.40
54	4.21	4.04	3.45
55	4.59	4.15	3.52
56	5.00	4.58	3.93
57	5.47	4.99	4.31
58	6.02	5.53	4.70
59	6.62	5.97	5.05
60	7.29	6.56	5.68
61	8.00	7.04	6.19
62	8.41	7.31	6.36
63	9.20	8.07	7.09
64	9.95	8.64	7.49
65	10.57	9.31	8.22
66	11.27	9.84	8.60
67	12.35	10.75	9.35
68	13.53	11.91	10.51
69	14.86	12.93	11.25
70	16.08	14.00	12.18
71	17.36	15.13	13.17
72	18.65	16.25	14.18
73	20.32	17.79	15.61
74	22.01	19.28	16.92
75	24.05	20.93	18.24
76	29.00	25.63	22.70
77	34.87	31.33	28.33
78	40.46	36.70	33.50
79	46.56	42.78	39.66
80	56.87	54.33	52.40

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Simple - Every 3 Years for 15 Years

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>3 Years</u>	<u>3 Years</u>	<u>3 Years</u>

Issue Age

20	0.87	0.85	0.84
21	0.90	0.88	0.87
22	0.92	0.91	0.89
23	0.95	0.93	0.91
24	0.98	0.96	0.94
25	1.01	0.98	0.96
26	1.03	1.01	0.99
27	1.07	1.04	1.02
28	1.10	1.08	1.05
29	1.14	1.11	1.09
30	1.19	1.15	1.13
31	1.23	1.20	1.17
32	1.29	1.25	1.22
33	1.35	1.31	1.28
34	1.42	1.38	1.34
35	1.49	1.45	1.41
36	1.57	1.52	1.48
37	1.66	1.60	1.56
38	1.75	1.70	1.65
39	1.86	1.80	1.75
40	1.97	1.91	1.85
41	2.10	2.03	1.97
42	2.24	2.16	2.10
43	2.40	2.31	2.25
44	2.56	2.47	2.40
45	2.74	2.64	2.57
46	2.94	2.83	2.75
47	3.15	3.03	2.94
48	3.38	3.25	3.15
49	3.63	3.49	3.38
50	3.91	3.75	3.64
51	4.22	4.05	3.93
52	4.56	4.38	4.24
53	4.94	4.74	4.30
54	5.35	5.13	4.38
55	5.82	5.26	4.45
56	6.33	5.79	4.97
57	6.90	6.29	5.43
58	7.54	6.93	5.89
59	8.24	7.43	6.28
60	9.00	8.09	7.01
61	9.82	8.63	7.59
62	10.26	8.91	7.74
63	11.14	9.76	8.57
64	11.95	10.37	8.99
65	12.61	11.10	9.80
66	13.30	11.62	10.16
67	14.40	12.54	10.92
68	15.63	13.74	12.12
69	17.00	14.78	12.85
70	18.20	15.85	13.80
71	19.45	16.94	14.76
72	20.73	18.05	15.74
73	22.40	19.60	17.19
74	24.08	21.07	18.49
75	26.11	22.72	19.80
76	31.25	27.61	24.46
77	37.34	33.53	30.31
78	43.03	39.01	35.60
79	49.20	45.18	41.88
80	59.75	57.05	55.01

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 142  
 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: None

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>5 Years</u>	<u>5 Years</u>	<u>5 Years</u>

Issue Age

20	0.88	0.86	0.85
21	0.91	0.89	0.88
22	0.94	0.92	0.90
23	0.96	0.94	0.93
24	0.99	0.97	0.95
25	1.02	0.99	0.98
26	1.04	1.02	1.00
27	1.07	1.05	1.03
28	1.11	1.08	1.06
29	1.15	1.12	1.10
30	1.19	1.16	1.13
31	1.23	1.20	1.18
32	1.29	1.25	1.22
33	1.35	1.31	1.28
34	1.42	1.38	1.35
35	1.49	1.45	1.41
36	1.57	1.52	1.49
37	1.66	1.61	1.57
38	1.76	1.70	1.66
39	1.86	1.81	1.76
40	1.98	1.92	1.87
41	2.11	2.05	2.00
42	2.26	2.19	2.13
43	2.42	2.34	2.28
44	2.59	2.51	2.44
45	2.78	2.69	2.62
46	2.98	2.88	2.80
47	3.19	3.09	3.00
48	3.43	3.31	3.22
49	3.69	3.56	3.46
50	3.97	3.83	3.72
51	4.30	4.15	4.02
52	4.65	4.48	4.35
53	5.04	4.86	4.43
54	5.48	5.28	4.52
55	5.98	5.43	4.61
56	6.54	6.01	5.17
57	7.18	6.57	5.68
58	7.91	7.29	6.21
59	8.70	7.88	6.67
60	9.59	8.65	7.51
61	10.55	9.31	8.20
62	11.12	9.70	8.44
63	12.19	10.72	9.43
64	13.20	11.50	9.98
65	14.01	12.39	10.97
66	14.94	13.10	11.47
67	16.39	14.33	12.48
68	18.06	15.95	14.08
69	19.87	17.36	15.13
70	21.53	18.82	16.40
71	23.31	20.37	17.75
72	25.14	21.96	19.16
73	27.46	24.11	21.16
74	29.79	26.16	22.98
75	32.60	28.45	24.80
76	39.43	34.91	30.92
77	47.63	42.86	38.73
78	55.65	50.54	46.09
79	64.51	59.32	54.93
80	79.41	75.89	73.06

Principal Life Insurance Company  
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 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Simple - Every 3 Years for 15 Years

Elimination Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
Benefit Period	<u>5 Years</u>	<u>5 Years</u>	<u>5 Years</u>

Issue Age

20	0.98	0.96	0.95
21	1.02	1.00	0.98
22	1.05	1.03	1.01
23	1.09	1.07	1.05
24	1.12	1.10	1.08
25	1.16	1.13	1.11
26	1.20	1.17	1.15
27	1.24	1.21	1.19
28	1.29	1.26	1.23
29	1.35	1.31	1.28
30	1.40	1.36	1.33
31	1.47	1.43	1.39
32	1.54	1.50	1.46
33	1.62	1.58	1.54
34	1.71	1.66	1.62
35	1.81	1.76	1.71
36	1.92	1.86	1.81
37	2.04	1.97	1.92
38	2.17	2.10	2.04
39	2.31	2.24	2.18
40	2.47	2.39	2.32
41	2.64	2.56	2.49
42	2.83	2.74	2.66
43	3.04	2.94	2.86
44	3.27	3.16	3.07
45	3.51	3.39	3.30
46	3.78	3.65	3.54
47	4.06	3.92	3.81
48	4.37	4.22	4.09
49	4.71	4.54	4.41
50	5.08	4.90	4.75
51	5.50	5.30	5.14
52	5.96	5.74	5.56
53	6.47	6.23	5.67
54	7.02	6.76	5.77
55	7.64	6.94	5.88
56	8.31	7.64	6.57
57	9.07	8.30	7.18
58	9.94	9.15	7.79
59	10.89	9.85	8.33
60	11.92	10.75	9.32
61	13.03	11.49	10.11
62	13.65	11.90	10.34
63	14.81	13.03	11.46
64	15.88	13.84	12.02
65	16.74	14.80	13.09
66	17.70	15.51	13.58
67	19.21	16.80	14.64
68	20.88	18.44	16.29
69	22.76	19.87	17.30
70	24.45	21.36	18.60
71	26.25	22.92	19.96
72	28.06	24.51	21.36
73	30.37	26.65	23.38
74	32.70	28.70	25.19
75	35.54	31.00	27.00
76	42.69	37.78	33.44
77	51.23	46.07	41.62
78	59.44	53.95	49.17
79	68.45	62.91	58.22
80	83.76	80.00	76.99

**Principal Life Insurance Company**  
**Actuarial Memorandum**  
**Policy Form FR 142**

**Modal Factors**

<b>Payment Mode</b>	<b>Factors</b>
Monthly	1.00
Quarterly	3.00
Semi-Annual	5.86
Annual	11.43

Principal Life Insurance Company  
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 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	1.46	1.36	1.28	61	14.86	13.06	11.46
22	1.50	1.39	1.31	62	16.01	14.08	12.35
23	1.53	1.43	1.34	63	17.26	15.19	13.31
24	1.57	1.46	1.36	64	18.62	16.37	14.35
25	1.61	1.49	1.39	65	20.07	17.66	15.47
26	1.64	1.52	1.42	66	20.33	17.94	15.65
27	1.69	1.56	1.45	67	21.01	18.45	15.93
28	1.73	1.60	1.48	68	21.79	19.13	16.48
29	1.78	1.64	1.52	69	22.59	19.92	17.30
30	1.90	1.75	1.62	70	23.66	20.84	18.27
31	1.96	1.80	1.66	71	25.48	22.45	19.68
32	2.03	1.85	1.71	72	27.49	24.23	21.23
33	2.12	1.94	1.78	73	29.71	26.19	22.95
34	2.23	2.03	1.86	74	32.14	28.33	24.82
35	2.34	2.13	1.94	75	34.72	30.61	26.80
36	2.47	2.24	2.04	76	37.39	32.96	28.85
37	2.61	2.35	2.14	77	40.09	35.33	30.90
38	2.76	2.48	2.25	78	42.74	37.64	32.89
39	2.92	2.63	2.37	79	45.24	39.81	34.76
40	3.09	2.78	2.51	80	47.44	41.69	36.37
41	3.30	2.96	2.66	81	67.13	58.43	50.49
42	3.52	3.14	2.82	82	74.26	64.44	55.52
43	3.75	3.34	2.99	83	81.87	70.82	60.84
44	3.99	3.55	3.17	84	90.09	77.67	66.51
45	4.26	3.79	3.38	85	98.60	84.68	72.27
46	4.56	4.05	3.60	86	107.09	91.60	77.90
47	4.88	4.33	3.85	87	116.31	99.04	83.91
48	5.24	4.64	4.11	88	125.34	106.17	89.57
49	5.64	4.99	4.41	89	133.90	112.80	94.72
50	6.12	5.41	4.79	90	143.55	120.19	100.42
51	6.60	5.83	5.16	91	152.37	126.77	105.36
52	7.11	6.28	5.55	92	161.27	133.27	110.18
53	7.67	6.77	5.97	93	169.74	139.32	114.57
54	8.26	7.29	6.43	94	178.38	145.38	118.89
55	8.91	7.85	6.92	95	187.74	151.82	123.41
56	9.90	8.71	7.66	96	195.25	157.89	128.34
57	10.66	9.38	8.24	97	204.20	165.13	134.22
58	11.48	10.10	8.87	98	213.07	172.30	140.06
59	12.37	10.88	9.55	99	224.30	181.39	147.44
60	13.34	11.73	10.29	100	232.25	187.81	152.67

Principal Life Insurance Company  
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Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u> 18-21	1.58	1.47	1.37	61	16.43	14.45	12.67
22	1.63	1.51	1.41	62	17.32	15.23	13.35
23	1.69	1.55	1.44	63	18.27	16.07	14.08
24	1.73	1.60	1.48	64	19.29	16.97	14.86
25	1.79	1.65	1.53	65	20.39	17.93	15.71
26	1.84	1.69	1.57	66	20.33	17.94	15.65
27	1.89	1.74	1.61	67	21.01	18.45	15.93
28	1.96	1.79	1.65	68	21.79	19.13	16.48
29	2.02	1.85	1.69	69	22.59	19.92	17.30
30	2.19	1.99	1.83	70	23.66	20.84	18.27
31	2.27	2.07	1.89	71	25.48	22.45	19.68
32	2.36	2.14	1.96	72	27.49	24.23	21.23
33	2.49	2.26	2.05	73	29.71	26.19	22.95
34	2.63	2.37	2.16	74	32.14	28.33	24.82
35	2.77	2.50	2.27	75	34.72	30.61	26.80
36	2.93	2.64	2.39	76	37.39	32.96	28.85
37	3.11	2.79	2.52	77	40.09	35.33	30.90
38	3.30	2.96	2.67	78	42.74	37.64	32.89
39	3.51	3.14	2.82	79	45.24	39.81	34.76
40	3.74	3.33	2.99	80	47.44	41.69	36.37
41	4.00	3.56	3.19	81	67.13	58.43	50.49
42	4.27	3.79	3.39	82	74.26	64.44	55.52
43	4.55	4.04	3.61	83	81.87	70.82	60.84
44	4.87	4.31	3.84	84	90.09	77.67	66.51
45	5.21	4.61	4.10	85	98.60	84.68	72.27
46	5.57	4.94	4.38	86	107.09	91.60	77.90
47	5.97	5.29	4.68	87	116.31	99.04	83.91
48	6.42	5.67	5.01	88	125.34	106.17	89.57
49	6.90	6.09	5.38	89	133.90	112.80	94.72
50	7.47	6.59	5.83	90	143.55	120.19	100.42
51	8.05	7.10	6.27	91	152.37	126.77	105.36
52	8.66	7.64	6.74	92	161.27	133.27	110.18
53	9.32	8.21	7.24	93	169.74	139.32	114.57
54	10.01	8.82	7.77	94	178.38	145.38	118.89
55	10.75	9.47	8.33	95	187.74	151.82	123.41
56	11.91	10.48	9.21	96	195.25	157.89	128.34
57	12.75	11.22	9.85	97	204.20	165.13	134.22
58	13.53	11.91	10.45	98	213.07	172.30	140.06
59	14.26	12.54	11.00	99	224.30	181.39	147.44
60	15.03	13.21	11.59	100	232.25	187.81	152.67

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Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	1.65	1.52	1.42	61	16.71	14.51	12.60
22	1.69	1.56	1.45	62	17.98	15.61	13.56
23	1.73	1.59	1.48	63	19.34	16.80	14.58
24	1.77	1.63	1.51	64	20.80	18.08	15.69
25	1.82	1.67	1.54	65	22.38	19.45	16.88
26	1.86	1.70	1.57	66	22.65	19.63	17.10
27	1.92	1.75	1.61	67	23.25	20.25	17.44
28	1.97	1.80	1.64	68	24.04	21.00	18.10
29	2.03	1.84	1.69	69	24.99	21.71	18.95
30	2.16	1.96	1.80	70	26.15	22.78	19.79
31	2.24	2.02	1.85	71	28.08	24.48	21.27
32	2.32	2.09	1.90	72	30.22	26.35	22.90
33	2.43	2.19	1.99	73	32.58	28.42	24.70
34	2.56	2.29	2.08	74	35.16	30.68	26.66
35	2.69	2.41	2.17	75	37.92	33.09	28.75
36	2.84	2.53	2.28	76	40.78	35.58	30.90
37	3.00	2.67	2.39	77	43.68	38.10	33.07
38	3.17	2.82	2.53	78	46.54	40.57	35.19
39	3.36	2.98	2.66	79	49.25	42.90	37.17
40	3.57	3.15	2.81	80	51.63	44.92	38.89
41	3.81	3.37	2.99	81	73.07	62.96	54.00
42	4.05	3.57	3.17	82	80.82	69.44	59.39
43	4.32	3.79	3.36	83	89.11	76.30	65.07
44	4.60	4.04	3.57	84	98.06	83.69	71.15
45	4.91	4.31	3.79	85	107.33	91.26	77.33
46	5.25	4.60	4.05	86	116.61	98.76	83.39
47	5.62	4.92	4.32	87	126.74	106.85	89.88
48	6.04	5.27	4.62	88	136.69	114.66	96.04
49	6.48	5.65	4.95	89	148.05	123.49	102.95
50	7.02	6.12	5.36	90	156.97	130.14	107.97
51	7.56	6.59	5.76	91	166.92	137.50	113.48
52	8.14	7.09	6.19	92	177.04	144.86	118.92
53	8.76	7.62	6.65	93	186.82	151.83	123.96
54	9.43	8.20	7.15	94	196.95	158.92	129.03
55	10.15	8.82	7.69	95	208.02	166.54	134.39
56	11.26	9.78	8.51	96	216.35	173.20	139.76
57	12.10	10.51	9.14	97	226.26	181.14	146.17
58	13.00	11.29	9.82	98	236.09	189.01	152.52
59	13.99	12.15	10.55	99	248.53	198.97	160.55
60	15.05	13.07	11.35	100	257.34	206.02	166.25

Principal Life Insurance Company  
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Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider No

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>							
18-21	1.80	1.65	1.52	61	18.43	16.01	13.90
22	1.86	1.69	1.56	62	19.40	16.86	14.63
23	1.92	1.74	1.60	63	20.44	17.76	15.41
24	1.97	1.80	1.65	64	21.54	18.72	16.24
25	2.03	1.85	1.70	65	22.72	19.74	17.13
26	2.09	1.90	1.74	66	22.65	19.63	17.10
27	2.17	1.96	1.79	67	23.25	20.25	17.44
28	2.24	2.02	1.84	68	24.04	21.00	18.10
29	2.31	2.08	1.90	69	24.99	21.71	18.95
30	2.50	2.25	2.04	70	26.15	22.78	19.79
31	2.60	2.33	2.11	71	28.08	24.48	21.27
32	2.71	2.42	2.19	72	30.22	26.35	22.90
33	2.85	2.55	2.30	73	32.58	28.42	24.70
34	3.01	2.68	2.41	74	35.16	30.68	26.66
35	3.19	2.84	2.54	75	37.92	33.09	28.75
36	3.38	2.99	2.67	76	40.78	35.58	30.90
37	3.58	3.17	2.82	77	43.68	38.10	33.07
38	3.80	3.36	2.99	78	46.54	40.57	35.19
39	4.04	3.56	3.16	79	49.25	42.90	37.17
40	4.30	3.78	3.35	80	51.63	44.92	38.89
41	4.61	4.04	3.57	81	73.07	62.96	54.00
42	4.91	4.31	3.79	82	80.82	69.44	59.39
43	5.24	4.59	4.04	83	89.11	76.30	65.07
44	5.60	4.90	4.30	84	98.06	83.69	71.15
45	5.98	5.22	4.58	85	107.33	91.26	77.33
46	6.40	5.59	4.90	86	116.61	98.76	83.39
47	6.85	5.98	5.23	87	126.74	106.85	89.88
48	7.35	6.40	5.60	88	136.69	114.66	96.04
49	7.88	6.87	6.00	89	148.05	123.49	102.95
50	8.52	7.42	6.48	90	156.97	130.14	107.97
51	9.17	7.98	6.97	91	166.92	137.50	113.48
52	9.85	8.57	7.48	92	177.04	144.86	118.92
53	10.57	9.20	8.02	93	186.82	151.83	123.96
54	11.35	9.87	8.60	94	196.95	158.92	129.03
55	12.17	10.58	9.21	95	208.02	166.54	134.39
56	13.46	11.69	10.17	96	216.35	173.20	139.76
57	14.39	12.50	10.86	97	226.26	181.14	146.17
58	15.25	13.25	11.51	98	236.09	189.01	152.52
59	16.05	13.94	12.11	99	248.53	198.97	160.55
60	16.89	14.67	12.74	100	257.34	206.02	166.25

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 601  
 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	0.01	0.01	0.01	61	1.11	0.97	0.84
22	0.01	0.01	0.01	62	1.27	1.10	0.95
23	0.01	0.01	0.01	63	1.43	1.23	1.06
24	0.01	0.01	0.01	64	1.59	1.38	1.18
25	0.01	0.01	0.01	65	1.79	1.53	1.31
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.02	0.01	0.02	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.02	0.02	0.02	70	NA	NA	NA
31	0.02	0.01	0.02	71	NA	NA	NA
32	0.01	0.02	0.02	72	NA	NA	NA
33	0.03	0.02	0.02	73	NA	NA	NA
34	0.03	0.03	0.02	74	NA	NA	NA
35	0.03	0.03	0.03	75	NA	NA	NA
36	0.03	0.03	0.03	76	NA	NA	NA
37	0.04	0.04	0.04	77	NA	NA	NA
38	0.04	0.05	0.04	78	NA	NA	NA
39	0.05	0.04	0.04	79	NA	NA	NA
40	0.06	0.05	0.04	80	NA	NA	NA
41	0.06	0.06	0.06	81	NA	NA	NA
42	0.06	0.06	0.06	82	NA	NA	NA
43	0.07	0.07	0.06	83	NA	NA	NA
44	0.09	0.08	0.08	84	NA	NA	NA
45	0.10	0.09	0.09	85	NA	NA	NA
46	0.11	0.10	0.10	86	NA	NA	NA
47	0.13	0.12	0.10	87	NA	NA	NA
48	0.15	0.14	0.13	88	NA	NA	NA
49	0.17	0.15	0.15	89	NA	NA	NA
50	0.20	0.18	0.17	90	NA	NA	NA
51	0.23	0.21	0.18	91	NA	NA	NA
52	0.27	0.24	0.22	92	NA	NA	NA
53	0.31	0.28	0.25	93	NA	NA	NA
54	0.37	0.33	0.29	94	NA	NA	NA
55	0.42	0.38	0.33	95	NA	NA	NA
56	0.51	0.46	0.40	96	NA	NA	NA
57	0.59	0.52	0.46	97	NA	NA	NA
58	0.67	0.60	0.52	98	NA	NA	NA
59	0.77	0.68	0.60	99	NA	NA	NA
60	0.87	0.77	0.68	100	NA	NA	NA

Principal Life Insurance Company  
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 CURRENT RATES

Integrated Plan HHC at 50%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	0.01	0.01	0.01	61	1.42	1.24	1.07
22	0.01	0.01	0.01	62	1.53	1.33	1.15
23	0.01	0.01	0.01	63	1.65	1.42	1.22
24	0.01	0.01	0.01	64	1.75	1.51	1.30
25	0.01	0.01	0.01	65	1.86	1.60	1.37
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.02	0.01	0.01	67	NA	NA	NA
28	0.01	0.02	0.01	68	NA	NA	NA
29	0.01	0.01	0.02	69	NA	NA	NA
30	0.02	0.03	0.02	70	NA	NA	NA
31	0.02	0.02	0.03	71	NA	NA	NA
32	0.03	0.03	0.02	72	NA	NA	NA
33	0.03	0.02	0.03	73	NA	NA	NA
34	0.03	0.03	0.02	74	NA	NA	NA
35	0.04	0.04	0.03	75	NA	NA	NA
36	0.05	0.04	0.03	76	NA	NA	NA
37	0.05	0.05	0.04	77	NA	NA	NA
38	0.06	0.05	0.04	78	NA	NA	NA
39	0.06	0.06	0.05	79	NA	NA	NA
40	0.07	0.07	0.06	80	NA	NA	NA
41	0.08	0.08	0.07	81	NA	NA	NA
42	0.09	0.09	0.08	82	NA	NA	NA
43	0.11	0.10	0.08	83	NA	NA	NA
44	0.12	0.12	0.10	84	NA	NA	NA
45	0.14	0.13	0.11	85	NA	NA	NA
46	0.17	0.14	0.13	86	NA	NA	NA
47	0.19	0.16	0.15	87	NA	NA	NA
48	0.21	0.19	0.18	88	NA	NA	NA
49	0.25	0.23	0.21	89	NA	NA	NA
50	0.29	0.27	0.23	90	NA	NA	NA
51	0.34	0.31	0.27	91	NA	NA	NA
52	0.41	0.36	0.32	92	NA	NA	NA
53	0.47	0.43	0.36	93	NA	NA	NA
54	0.55	0.49	0.43	94	NA	NA	NA
55	0.63	0.56	0.50	95	NA	NA	NA
56	0.77	0.68	0.60	96	NA	NA	NA
57	0.87	0.77	0.67	97	NA	NA	NA
58	0.99	0.86	0.75	98	NA	NA	NA
59	1.07	0.94	0.82	99	NA	NA	NA
60	1.16	1.03	0.89	100	NA	NA	NA

Principal Life Insurance Company  
 Actuarial Memorandum  
 Policy Form FR 601  
 Monthly Premiums Per \$10 Daily Benefit  
 CURRENT RATES

Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 200%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	0.01	0.01	0.01	61	1.21	1.04	0.90
22	0.01	0.01	0.01	62	1.36	1.18	1.01
23	0.01	0.01	0.01	63	1.54	1.32	1.13
24	0.01	0.01	0.01	64	1.74	1.48	1.26
25	0.01	0.01	0.01	65	1.94	1.65	1.40
26	0.02	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.01	0.02	68	NA	NA	NA
29	0.01	0.01	0.01	69	NA	NA	NA
30	0.02	0.02	0.01	70	NA	NA	NA
31	0.02	0.02	0.02	71	NA	NA	NA
32	0.01	0.02	0.03	72	NA	NA	NA
33	0.02	0.02	0.02	73	NA	NA	NA
34	0.02	0.03	0.02	74	NA	NA	NA
35	0.03	0.02	0.03	75	NA	NA	NA
36	0.03	0.04	0.03	76	NA	NA	NA
37	0.03	0.04	0.04	77	NA	NA	NA
38	0.05	0.04	0.03	78	NA	NA	NA
39	0.05	0.05	0.04	79	NA	NA	NA
40	0.06	0.06	0.05	80	NA	NA	NA
41	0.07	0.05	0.05	81	NA	NA	NA
42	0.08	0.07	0.06	82	NA	NA	NA
43	0.08	0.08	0.07	83	NA	NA	NA
44	0.10	0.09	0.07	84	NA	NA	NA
45	0.12	0.09	0.09	85	NA	NA	NA
46	0.13	0.11	0.09	86	NA	NA	NA
47	0.14	0.12	0.11	87	NA	NA	NA
48	0.16	0.14	0.13	88	NA	NA	NA
49	0.19	0.16	0.15	89	NA	NA	NA
50	0.21	0.19	0.17	90	NA	NA	NA
51	0.25	0.22	0.20	91	NA	NA	NA
52	0.29	0.26	0.23	92	NA	NA	NA
53	0.34	0.30	0.27	93	NA	NA	NA
54	0.40	0.35	0.31	94	NA	NA	NA
55	0.46	0.40	0.35	95	NA	NA	NA
56	0.55	0.48	0.42	96	NA	NA	NA
57	0.63	0.55	0.48	97	NA	NA	NA
58	0.74	0.64	0.55	98	NA	NA	NA
59	0.83	0.72	0.63	99	NA	NA	NA
60	0.95	0.82	0.71	100	NA	NA	NA

Principal Life Insurance Company  
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 CURRENT RATES

Integrated Plan HHC at 75%  
 Lifetime Payment Term

Indexing: 5% Compound until age 80 or 300%  
 ROP Rider Yes

Elimination Period Benefit Period	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>	Issue Age	<u>20 days</u>	<u>60 days</u>	<u>100 days</u>
	<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>		<u>Lifetime</u>	<u>Lifetime</u>	<u>Lifetime</u>
<u>Issue Age</u>				<u>Issue Age</u>			
18-21	0.01	0.01	0.01	61	1.54	1.33	1.14
22	0.01	0.01	0.01	62	1.66	1.42	1.22
23	0.01	0.01	0.01	63	1.78	1.52	1.30
24	0.01	0.01	0.01	64	1.90	1.62	1.39
25	0.01	0.01	0.01	65	2.03	1.73	1.47
26	0.01	0.01	0.01	66	NA	NA	NA
27	0.01	0.01	0.01	67	NA	NA	NA
28	0.01	0.02	0.01	68	NA	NA	NA
29	0.02	0.02	0.01	69	NA	NA	NA
30	0.02	0.02	0.02	70	NA	NA	NA
31	0.02	0.02	0.02	71	NA	NA	NA
32	0.03	0.03	0.02	72	NA	NA	NA
33	0.03	0.03	0.02	73	NA	NA	NA
34	0.04	0.04	0.03	74	NA	NA	NA
35	0.04	0.03	0.03	75	NA	NA	NA
36	0.04	0.04	0.04	76	NA	NA	NA
37	0.05	0.04	0.05	77	NA	NA	NA
38	0.06	0.05	0.04	78	NA	NA	NA
39	0.07	0.06	0.05	79	NA	NA	NA
40	0.07	0.07	0.06	80	NA	NA	NA
41	0.08	0.09	0.08	81	NA	NA	NA
42	0.10	0.09	0.09	82	NA	NA	NA
43	0.11	0.10	0.09	83	NA	NA	NA
44	0.13	0.11	0.11	84	NA	NA	NA
45	0.15	0.14	0.13	85	NA	NA	NA
46	0.17	0.15	0.14	86	NA	NA	NA
47	0.20	0.18	0.16	87	NA	NA	NA
48	0.23	0.21	0.18	88	NA	NA	NA
49	0.27	0.24	0.21	89	NA	NA	NA
50	0.32	0.29	0.26	90	NA	NA	NA
51	0.37	0.33	0.29	91	NA	NA	NA
52	0.43	0.38	0.33	92	NA	NA	NA
53	0.51	0.45	0.39	93	NA	NA	NA
54	0.59	0.52	0.45	94	NA	NA	NA
55	0.68	0.60	0.52	95	NA	NA	NA
56	0.83	0.73	0.63	96	NA	NA	NA
57	0.94	0.82	0.72	97	NA	NA	NA
58	1.07	0.92	0.80	98	NA	NA	NA
59	1.16	1.01	0.86	99	NA	NA	NA
60	1.27	1.10	0.94	100	NA	NA	NA

**Principal Life Insurance Company**  
**Actuarial Memorandum**  
**Policy Form FR 601**

**Modal Factors**

<b>Payment Mode</b>	<b>Factors</b>
Monthly	1.00
Quarterly	3.00
Semi-Annual	5.86
Annual	11.43



Principal Mutual  
Life Insurance Company

LONG-TERM CARE INSURANCE

POLICY FORM FR601

ACTUARIAL MEMORANDUM

The purpose of this memorandum is to gain approval of the premium rates for this Long-Term Care Insurance policy (FR601).

This insurance will be marketed to employees and retirees of the Principal Mutual Life Insurance Company. The spouse of an employee or retiree may also apply for and be issued coverage under his or her own distinct certificate.

This policy is guaranteed renewable. Rates can be changed only on a class basis, where class is defined to be:

- a) all insured Members residing within a common state
- and/or b) all insured Members with the same insurance age
- and/or c) all insured Members who became insured in the same calendar year.

There are no issue age limits for applicants who are actively at work. Retirees, and spouses (who are not actively at work) may apply for coverage subject to a maximum issue age of 80.

Premiums are net level premiums based on the insured's age at issue, his or her state of residence, and his or her choice of various benefit options (elimination period, daily benefit, home health care/adult day care benefit, daily benefit increase amount, and return of premium death benefit).

Employees with ten or more years of service (and their spouses) can be issued amounts up to the guaranteed issue limits (but not less than a \$30 daily benefit) without underwriting.

The underwriting for: amounts over the guaranteed issue limits for employees with ten or more years of service (and their spouses), any amounts for employees with less than ten years of service (and their spouses), and any amounts for retirees (and their spouses) will be the same. It will be based primarily on the applicant's responses to an enrollment form. Supplementary underwriting information may be obtained from physicians' statements and/or exams which may be required depending on the enrollment form responses.

Benefit eligibility is based on ADL (Activity of Daily Living) deficiencies and cognitive impairment. To be eligible for benefits, the claimant must be cognitively impaired or have 2 or more ADL deficiencies out of 4 ADLs.

Premiums for the policy will be initially developed from an analysis of the National Center for Health Statistics' National Nursing Home Survey (1977 and 1985), Medicare (1982 TSA), data in the Milliman & Robertson Health Cost Guidelines and available experience from other companies. Milliman & Robertson, consulting actuaries, assisted in our analysis. Initially, the premium levels will be the same for all states. As credible experience for this policy emerges and as other insured data bases become available (e.g., Society of Actuaries intercompany studies), the premiums for this policy may be partially or fully determined based on the newer data. Also, eventually differences in experience by state may be recognized.

The anticipated loss ratio for this policy is 60%. However, this assumes a reasonably mature block of business. It may take several years before such a loss ratio is actually attained for this policy.

To the best of my knowledge and belief, the premiums for this policy are reasonable in relation to the benefits, and this rate filing complies with the applicable laws and regulations of the state.

---

William R. Claypool, FSA, MAAA  
Actuary  
Principal Mutual Life Insurance Company

WRC:mcs  
SUBMIS/FR601MEM

## Statement of Variability – Principal – FR 142, FR 406 VA, FR 601

Rate Increase Letters (PFGN-VA-0718 & PFGP-VA-0718), Contingent Benefit Upon Lapse Election Form (PFGCNF-VA-0718) and Option Election Form (PFGOEF-VA-0718)

Rate Increase Letter PFGN-VA-0718 will be sent with the Contingent Benefit upon Lapse Election Form, PFGCNF-VA-0718.

Rate Increase Letter PFGP-VA-0718 will be sent with the Option Election Form, PFGOEF-VA-0718.

<<LOGO>>

*Populates with the Principal Life Insurance Company logo*



<<DATE>>

*Populates with the date the documents were sent, in Month, Day (XX), Year (XXXX) format*

<<FIRST\_NAME>> <<LAST\_NAME>>

<<STREET\_ADDRESS1>>

<<STREET\_ADDRESS2>>

<<CITY>> <<STATE>> <<ZIP>>

<<POLICY\_NUMBER>>

<<SALUTATION LAST\_NAME>>

*Populates with demographic information of the insured receiving the rate increase notice.*

<<INC\_AMT>>

*The rate increase percentage amount approved by the Virginia Bureau of Insurance.*

<<REASON\_FOR\_RATE\_INCREASE>>

*Populates with: Rates are increasing based on the fact that people are living longer and keeping their policies for a longer period of time than expected. This means we, as the company, expect to pay more claims in the future. New data on the company and industry-wide claim costs show that those costs are higher than originally expected when the product was priced.*

*Should the reason for the rate increase change, the company will update the Statement of Variability.*

<<NEXT\_BILL\_DATE>>

*Next bill date of policy in Month, Day (XX), Year (XXXX) format*

<<MODAL>>

*Monthly, Quarterly, Semi-Annual, Annual*

<<CURRENT\_RATE>>

*Populates with dollar amount for current premium in \$999,999.99 format*

<<FUTURE\_RATE>>

*Populates with dollar amount for future rate increased premium in \$9,999.99 format*

<<RESULT\_OF\_CNF\_FORMULA>>

*Populates with Contingent Benefit Upon Lapse amount \$9,999.99 format*

<<CS\_PHONE>>

*Populates with the Company's Customer Service phone number, 1-800-240-1675*

<<OFFICE\_ADDRESS>>

*Populates with 165 Court St. Rochester, NY 14647*

<<OFFICER\_SIGNATURE>>

*Populates with Cheryl Bush's signature*

<<OFFICER\_NAME>>

*Populates with Cheryl Bush, RN*

<<OFFICER\_TITLE>>

*Populates with Senior Vice President, Operations*



August 27, 2018

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

Via *SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your letter dated July 26, 2018 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

- 1) *Provide an explanation why the Company has delayed their filing for a rate revision and did not finalize their previous rate revision filing under SERFF TRIP-130565139. The last two Long Term Care Annual Rate Reports indicate that the rates were insufficient.*

Prior to 2015, MedAmerica, acting as administrator and 100% reinsurer on behalf of the Company, prioritized its rate increase filings based on the size of the applicable block in each jurisdiction and the perceived likelihood of approval, as compared to available resources for rate increase filings.

At the time MedAmerica submitted the Company's 2015 annual rate report, the previous rate revision filing under SERFF TRIP-130565139 was pending. During the Bureau's review of that filing, MedAmerica was made aware of a requirement to make modifications to its policyholder notification letter to satisfy the requirements of Virginia Regulation 14VAC5-200-75.D. MedAmerica's revised policyholder notification letter is included for review with the current rate increase filing.

MedAmerica has taken the steps to carry out its plan of action described in its Annual Rate Reports to address the insufficiency of the Company's premium rates. We are dependent on approval by the Bureau of our relevant rate increase filings. MedAmerica will commit to promptly implement the approved rate increases.

- 2) *Provide the Previous State Filing Number.*

The previous State Filing Number was SERFF # MLCO-126871851. It was submitted on July 6, 2011. The disapproval disposition was dated May 17, 2014.

- 3) *Provide a detailed explanation of the originally filed expense assumptions.*

Detailed explanation of the originally filed expense assumptions is not available, however, the originally filed expense assumptions as provided by Principal to MedAmerica were 6.0% of collected premium for general office expense, 5.0% of paid claims for claim administrative expense, and 2.0% of collected premium for premium tax.

- 4) *Provide the average attained age for the Virginia and Nationwide policyholders.*

The average attained age is 72.7 years and 67.6 years, for Virginia and nationwide policyholders respectively.

- 5) *Please provide an updated Letter of Authorization.. The letter states that the Service Agreement is effective January 1, 2015. The authorization to file is valid for twelve months. The letter is dated 11/28/17. It appears that the authorization expired after December 31, 2015.*

The Service Agreement between MedAmerica and TriPlus Services, Inc. was originally effective January 1, 2015 and was set to expire June 30, 2016. Two amendments to the initial Statement of Work have been authorized and the current enclosed Amendment #2 shall expire no later than 7/1/2019. The Letter of Authorization is renewed annually. As you indicated, the Letter of Authorization was dated 11/28/17, and will be renewed 11/28/18.

- 6) *Please provide Exhibits in Excel so that analysis can be run on the data.*

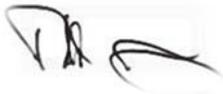
Enclosed with this response is an Excel spreadsheet which provides the actuarial memorandum numerical data.

- 7) *Please provide an explanation for the differences in the historical Earned Premium between the Actual or Projected Experience Using Current Assumptions and the Expected Experience using Pricing Assumptions.*

Earned premium in the expected experience in the Actuarial Memorandum Exhibits I and II, column E, was projected on a seriatim basis from issue using the original pricing assumptions and the actual mix of policies sold. Historical earned premium in Exhibits I and II, Column A, is the actual historical earned premium. The differences in the historical and expected earned premium can be explained by differences in actual to expected voluntary lapse, mortality and mix of policyholders.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,



Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial

Enclosures

## AMENDMENT #2 to SOW #1

Agreement Number: cEHP-505 – Statement of Work #1 effective as of January 1, 2015 (“SOW #1”) under the Professional Services Agreement effective as of January 1, 2015 and as amended (“the Agreement”).

Amendment Number: 2 (“Amendment #2”)

Effective Date: As of June 30, 2017 (“Amendment #2 Effective Date”)

Supplier Name: TriPlus Services, Inc. (“Supplier”)

Supplier Address: 161 Worcester Road, Suite 300, Framingham, Massachusetts 01701

This Amendment #2 to the above referenced SOW #1 is by and between the above named Supplier and MedAmerica Insurance Company of New York, a New York corporation, MedAmerica Insurance Company of Florida, a Florida corporation, and MedAmerica Insurance Company, a Pennsylvania corporation, all with administrative offices located at 165 Court Street, Rochester, NY 14647 (“MedAmerica”). Each capitalized term used but not defined herein shall have the meaning ascribed to it in the Agreement.

MedAmerica and Supplier desire to amend SOW #1 to provide for the performance of continued services by the Supplier to MedAmerica.

MedAmerica and Supplier, for good and valuable consideration, the receipt of which is hereby acknowledged, each agrees as follows:

1. Section G – Duration of Work Effort, subsection (2), shall be deleted in its entirety and replaced with the following:

2. Unless extended by the parties in writing, Supplier shall complete Services and this SOW #1 shall expire no later than: 7/1/2019.

2. Section H – Fees and Payment Schedule, shall be modified to increase the total fee for SOW#1 Not to Exceed (“NTE”) to \$1,300,000.

In the event that there is a conflict between the terms and conditions of this Amendment #2 and the Agreement, this Amendment #2 shall control. The terms and conditions of SOW #1, except as duly modified by this Amendment #2 and any previous amendments, if any, remain unchanged and in full force and effect.

## AMENDMENT #2 to SOW #1

The parties' assent to the terms of this Amendment #2 is confirmed by their duly authorized signatures below as of the Effective Date.

MedAmerica Insurance Company of  
New York, MedAmerica Insurance  
Company of Florida, MedAmerica  
Insurance Company.

TriPlus Services, Inc.

By:

DocuSigned by:  
*Bill Naylor*

Name:

C485E397822B438...  
Bill Naylor

Title:

president, medamerica

By:

DocuSigned by:  
*Ray Nelson*

Name:

61C95EDB1849407...  
Ray Nelson

Title:

SVP Actuarial Services

## AGREEMENT AMENDMENT #2

Agreement Number: EHP-1338 – TriPlus Services, Inc. – Professional Services Agreement effective 1/1/2015 (“the Agreement”)

Amendment Number: 2 (“Amendment # 2”)

Amendment Effective Date: June 30, 2017 (“Effective Date”)

Supplier Name: TriPlus Services, Inc. (“Supplier”)

Supplier Address: 161 Worcester Road, Suite 300, Framingham, Massachusetts 01701

This Amendment #2 to the above referenced Professional Services Agreement is by and between the above named Supplier, and MedAmerica Insurance Company of New York, a New York corporation, MedAmerica Insurance Company of Florida, a Florida corporation, and MedAmerica Insurance Company, a Pennsylvania corporation, all with administrative offices located at 165 Court Street, Rochester, NY 14647 (“MedAmerica”). Each capitalized term used but not defined herein shall have the meaning ascribed to it in the Agreement.

MedAmerica and Supplier desire to amend the Agreement to provide for the performance of continued services by the Supplier to MedAmerica.

MedAmerica and Supplier, for good and valuable consideration, the receipt of which is hereby acknowledged, each agrees as follows:

- 1. Extend current terms through July 1, 2019.

In the event that there is a conflict between the terms and conditions of this Amendment #2 and the Agreement, this Amendment #2 shall control. The terms and conditions of the Agreement, except as duly modified by this Amendment #2 and any previous amendments, if any, remain unchanged and in full force and effect.

The parties’ assent to the terms of this Amendment #2 is confirmed by their duly authorized signatures below as of the Effective Date.

MedAmerica Insurance Company of New York, MedAmerica Insurance Company of Florida, MedAmerica Insurance Company

TriPlus Services, Inc.

By: DocuSigned by:  
Bill Naylor  
Name: C485E397822B438...  
Bill Naylor  
Title: president, medamerica

By: DocuSigned by:  
Ray Nelson  
Name: 61C95EDB1849407...  
Ray Nelson  
Title: SVP Actuarial Services



September 20, 2018

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

*Via SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your letter dated September 20, 2018 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The request is restated in italics for reference.

1) *Please provide the ages of the 5 remaining policyholders in Virginia.*

The attained ages of the 5 remaining policyholders in Virginia at December 31, 2017 are: 58, 71, 71, 79 and 85.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,

A handwritten signature in black ink, appearing to read "T. Moltumyr", is written over a light grey rectangular background.

Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial



April 4, 2019

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

Via *SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your letter dated March 4, 2019 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

Objection 1

1) *Please reconcile the policy count in the Rate Information tab (5) with Section 21 of the memorandum (6).*

Section 21 of the memorandum should have shown 4 PLTC insureds and 5 total insureds in Virginia as of December 31, 2016. The annualized premium in the memorandum and the Rate Information tab is correct.

2) *For all projections requested in the next question, the baseline should comply with the following:*

- a) *Any limited-pay policies that are now in paid-up status, should be removed, both from historical experience and future projections.*
- b) *For this pre-stability block, assumptions should use a best-estimate basis without margins for moderately adverse conditions.*
- c) *Nationwide premiums should be calculated as if all policies were issued in Virginia for both historical and projected future premiums.*

The baseline projections provided in item #3 below, comply with items a) through c) above.

3) *To assist the Bureau in its review, for each of the two subsets of the business (limited vs. unlimited benefit periods) separately please provide (in Excel format) the following projections on a nationwide basis:*

The enclosed Excel file *Principal Group VA\_Attachments\_Obj 20190304\_20190404.xlsx* provides the projections requested below, with working formulas to the extent possible. Projections for items a) through e) are provided on separate tabs in total, and for each of the two subsets of business (limited vs. unlimited benefits periods).

Pursuant to 14 VAC5-200-150.B, loss ratios are calculated using an interest rate of 5.22%, which is the average maximum interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia, based on the issue year distribution of nationwide policies in force at December 31, 2016.

*a) current assumptions and current rates*

Attachment 1 provides projections with current assumptions and current rates.

*b) current assumptions with the proposed rate increase*

Attachment 2 provides projections with current assumptions and the proposed rate increase.

*c) current assumptions with the proposed rate increase, but with no shock lapses, benefit reductions, CBUL or adverse selection (if applicable)*

Attachment 3 provides projections with the proposed rate increase, but with no shock lapses, benefit reductions, CBUL or adverse selection.

*d) current assumptions with premiums restated as if the proposed rate schedule had been in effect from inception*

Attachment 4 provides projections with premiums restated as if the proposed rate schedule had been in effect from inception.

*e) original assumptions and original premiums from inception*

Attachment 5 provides projections with original assumptions and original premiums from inception. These projections were based on the original mix of business issued.

*Projections a-e can be separate tabs or combined into separate columns on the same exhibit*

*4) For each of the two subsets of the business above, please provide the active life reserves balance as of the projection date on a nationwide basis.*

Attachment 6 provides the active life reserve balances as of the projection date on a nationwide basis.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,



Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial

Enclosure



November 20, 2019

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

*Via SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your letter dated October 21, 2019 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

- 1) *Thank you for your response to our request to reduce the rate increase to 20% for plans with Limited Benefit Period and 31% for plans with Lifetime Benefit Period.*

*Please review the actuarial memorandum and supporting documentation, the Rate Request Summary and the Proposed Rate sheets to reflect the revised rate increase proposal.*

Enclosed is a revised actuarial memorandum and supporting documentation, a revised rate request summary and proposed rate tables which reflect the Department's reduced offer of a 20% increase for plans with a limited benefit period and 31% for plans with a lifetime benefit period.

Please note that the actual rates implemented may vary slightly from those in the enclosed rate tables due to implementation rounding algorithms.

As the company believes that the full requested increase is necessary, we anticipate requesting additional rate increases in Virginia until the cumulative rate increase is approved.

Through a SERFF post-submission update, we have updated the Rate/Rule Schedule tab to reflect the average 29.48% rate increase offer. We respectfully request that the Department acknowledge the post-submission update prior to issuing the disposition in order for the disposition to capture this change.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,

Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial

Enclosures

## VIRGINIA READABILITY COMPLIANCE CERTIFICATION

**Name and Address of Insurer:**            **MedAmerica Insurance Company**  
**165 Court Street**  
**Rochester, NY 14647**

Title of Form:    **Notice of Premium Increase**  
Form Number: PFGN-VA-0718

I hereby certify that the Flesch reading ease score of the above form is 46.3.  
It contains 42 sentences, 973 words. The type size of the text of the form is 11 point type, 1 point leaded.

Title of Form:    **Notice of Premium Increase**  
Form Number: PFGP-VA-0718

I hereby certify that the Flesch reading ease score of the above form is 45.5.  
It contains 45 sentences, 1,123 words. The type size of the text of the form is 11 point type, 1 point leaded.

Title of Form:    **Contingent Benefit Upon Lapse Election Form**  
Policy Form Number:    PFGCNF-VA-0718

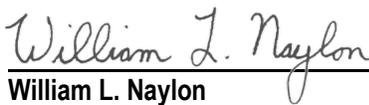
I hereby certify that the Flesch reading ease score of the above form is 46.9.  
It contains 6 sentences, 263 words. The type size of the text of the policy form is 11 point type, 1 point leaded.

Title of Form:    **Option Election Form**  
Form Number: PFGOEF-VA-0718

I hereby certify that the Flesch reading ease score of the above form is 40.2.  
It contains 9 sentences, 363 words. The type size of the text of the form is 10 point type, 1 point leaded.

**I also certify to the best of my knowledge and belief that the policy forms are in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.**

**Certification by:**

  
\_\_\_\_\_  
**William L. Naylor**

**President**  
\_\_\_\_\_  
**Title**



December 11, 2019

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

*Via SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your letter dated December 10, 2019 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

1) *Please enter the SERFF Tracking Number on the Health Insurance Rate Request Summary Form.*

The SERFF Tracking Number has been entered on the Health Insurance Rate Request Summary Form and placed in the Supporting Documentation tab.

2) *Please revise the certification (LH 550 UNIFORM) for the correct forms PFGP-VA-0718 and PFGOEF-VA-0718 and place the revised certification under the Supporting Documentation tab. The certification should not be filed under the Form Schedule.*

The certification has been revised for the correct forms and placed under the Supporting Documentation tab.

3) *The policyholder notification letters noted above appear to be identical to the Individual policyholder notification letter filed under TRIP-131593732. If that is the case, please remove these two policyholder letter forms from the Form Schedule as they are being reviewed under TRIP-131593732.*

Form PFGN-VA-0718 is identical to the Individual policyholder notification letter filed under TRIP-131593732, and thus has been removed from the Form Schedule tab.

Form PFGP-VA-0718 is a unique policyholder notification letter to insureds covered by policy Form FR 601 above and appears in the Form Schedule.

4) *The full and proper corporate name of the insurer must appear in the letter pursuant to 14VAC5-100-50 2. "Principal Financial Group" is not the name of the insurer. It should be "Principal Life Insurance Company."*

"Principal Life Insurance Company" is the name of the insurer that now appears in the letter.

5) *PFGP-VA-0718, Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider, PFGP-VA-0718 (Form)*

1. *Since this is a group policy form, please advise if the policy number and certificate number are one and the same. If not, the policyholder notification letter forms should be revised to add the certificate number. The Statement of Variability will also need to be updated for this variance.*

They are the same.

2. *Page 1, first sentence, please revise the letter for variance to the words, ".....three consecutive annual premium increases..."*

Page 1, the first sentence has been revised.

3. *Please revise the second paragraph that begins with "The premium adjustments are as follows:" The additional rate increases should either be removed or made variable, with a full explanation of the variances.*

The second paragraph has been revised.

4. *Consider revising or removing the last sentence under Option #3, "This Benefit will not be offered when the second and third rate increases go into effect."*

The last sentence under Option #3 has been removed.

5. *Please clarify if the policy provides a "Contingent Non-Forfeiture Benefit" or a "Contingent Benefit Upon Lapse". The contingent benefit upon lapse (Contingent Non-Forfeiture Benefit) should be compliant with 14VAC5-200-185. Clarify if the election form becomes a part of the policy upon receipt by the Company.*

The policy does not provide a "Contingent Non-Forfeiture Benefit." The Company is offering a "Contingent Benefit Upon Lapse" to insureds that trigger a substantial rate increase. Additionally, Principal will voluntarily offer a contingent benefit upon lapse (Contingent Non-Forfeiture Benefit) to insureds affected by the rate increase, even if the increase is not considered substantial. We believe that the offer is compliant with 14VAC5-200-185.

Upon receipt of the election form, the company sends a Notice of Contingent Non-Forfeiture Benefit to the insured, with instructions to keep the notice with their policy or certificate.

6. *Please confirm that there are no partnership policies issued under these group LTC policy form.*

There are no partnership policies issued under these group LTC policy forms.

7. *Consider adding customer service hours and making the customer service contact information and hours variable in the event of a future change.*

The customer service contact information is variable, and the company also considered, but did not add customer service hours, since the hours are stated when the insured calls the Customer Service number.

8. *In the 3rd to last paragraph on page 2, consider making the Virginia Bureau of Insurance's webpage variable in the event of a future change.*

The company considered making the Virginia Bureau of Insurance's webpage variable, but since the letters are intended to be used immediately after approval of the pending rate filing, the company assumed that the Bureau's website will remain valid.

9. *Consider making the signature block, and title of signing officer, variable in the event of a future change.*

The signature block, and title of signing officer are variable in the event of a future change.

10. *If an insured's premium is currently being waived because they are on claim, please explain the process. Will they be required to select an option at the time they are notified of the increase, at the time that they come off claim, etc.? How much time do they have once they come off claim to notify the company of their option selection?*

In the event an insured is on claim and their premium is currently being waived, the insured is notified of the increase, however they are not required to select an option at the time they are notified. If/when they come off claim, they are entitled to 120 days from the due date of their next premium to select their option.

11. *Pursuant to 14VAC5-200-75 D, an insurer is required to provide notice of an upcoming premium rate schedule increase to all policyholders at least 75 days prior to the implementation of the premium rate schedule increase. Please confirm that the company will comply with this requirement.*

This is to confirm that the company will comply with the 75-day notice requirement.

- 6) *Please provide a "John Doe" sample policyholder notification packet under the Supporting Documentation tab once all revisions are made so that we can review exactly what a policyholder will receive from the Company.*

The company will provide the final "John Doe" sample policyholder notification packet once the Bureau is satisfied with our policyholder notification letter. Please advise as soon as possible so that we may complete this filing.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,



Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial



December 30, 2019

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

Via *SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your Note to Filer dated December 18, 2019 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

- 1) *Please explain why the letter mentions "Contingent Non-Forfeiture Benefit" instead of Contingent Benefit Upon Lapse" in light of the Company's response above. The letter should be use "Contingent Benefit Upon Lapse" rather than "Contingent Non-Forfeiture Benefit".*

The terms "Contingent Non-Forfeiture Benefit" and "Contingent Benefit Upon Lapse" are used interchangeably by the company and in industry, in general. The benefit to the policyholder is identical and is compliant with 14 VAC5-200-185.

As indicated in our previous response, the "Contingent Non-Forfeiture Benefit" is being offered to all policyholders, even if the increase is not considered substantial.

- 2) *Please submit a John Doe policyholder notification package under the Supporting Documentation tab so that we may continue our review.*

A John Doe policyholder notification letter (John Doe PFGP-VA-0718.pdf) and "Option Election Form" (John Doe PFGOEF-VA-0718.pdf) for Policy Form FR 601 above is being submitted under the Supporting Documentation tab. The John Doe policyholder notification letter (John Doe PFGN-VA-0718.pdf) and "Contingent Non-Forfeiture Benefit Election Form" (John Doe PFGCNF-VA-0718.pdf) for Policy Form FR 142 is also being submitted under the Supporting Documentation tab.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,

Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial



Principal Life Insurance Company

**Time-Sensitive! Review Options and Make Your Decision**

**RE: Your Long Term Care Insurance**

**Notice of Premium Increase — Please Read & Retain for Your Records**

John Doe  
123 Main St.  
Anytown, VA 12345

September 1, 2020  
Billing Account ID: 1234-5678

Dear Mr. Doe:

We are writing to notify you that we have filed a premium increase of 31% with the Virginia Bureau of Insurance. Rates are increasing based on the fact that people are living longer and keeping their policies for a longer period of time than expected. This means we, as the company, expect to pay more claims in the future. New data on the company and industry-wide claim costs show that those costs are higher than originally expected when the product was priced. This premium change is based on the overall experience of all contracts in your class and has nothing to do with your current age, health status, claims history or any other personal factors. This increase applies to all insureds who have the same policy form as you, regardless of the effective date of coverage.

The following chart represents the upcoming change to your premium.

Your Current Premium	New Premium	Percentage of Increase	Increase Effective Date
As of September 1, 2020, \$312.73 annually	\$409.68 annually	31%	January 1, 2021

**We understand this premium increase may affect your ability to afford your current level of benefits. Please review the options regarding your coverage that are outlined below, and make the decision that best meets your needs. We urge you to consult with your insurance and financial advisors prior to making a decision, as accepting the rate increase may be in your best interest.**

**All options may not be of equal value.**

- **Option #1: Continue your coverage at your current level of benefits.** You may keep your current level of benefits by paying the increased premium when it is due on January 1, 2021. If you choose this option, no additional action, other than your premium payment, is required. Please understand that paying the increased premium for coverage through 120 days from the date of the rate increase constitutes your acceptance of the rate increase and voids the offer of the Contingent Benefit Upon Lapse outlined in Option #3 below.
- **Option #2: Offset the increased premium by reducing your level of benefits.**

a) You may avoid the premium increase described in this letter by choosing to reduce your



Principal Life Insurance Company

unlimited lifetime benefit to a three-year maximum benefit. If you choose this option:

- i. Your current premium will remain the same over at least the next three years;
- ii. Your Total Lifetime Benefit will be equivalent to your Daily Benefit multiplied by 1,095;
- iii. Your Daily Benefit Increase percentage will be applied to your remaining Total Lifetime Benefit on each Plan Anniversary in which you are entitled to receive the Increase, per the terms of your coverage;
- iv. Your future premiums are not guaranteed and are subject to future increases; and
- v. Your coverage will terminate when your Total Lifetime Benefit has been exhausted, or when you trigger one of the other termination provisions in your coverage.

If you elect this alternative, check the Option #2a box on the enclosed Option Election Form and return the signed and dated form in the enclosed postage-paid envelope.

- b) You **may** be able to make other adjustments to your benefits to reduce your premium. Options to reduce your benefits include, but are not limited to, increasing your Elimination Period, reducing your Daily Benefit, and/or dropping riders. Please understand that this option is not always available as you may have selected the state-mandated minimum benefits allowable for long term care insurance. Please call Customer Service toll-free at 1-800-240-1675 to discuss your options.

- **Option #3: Elect the reduced Contingent Benefit Upon Lapse.**

If you elect the Contingent Benefit Upon Lapse option, no further premium is due. This option becomes effective as of your current paid through date. As of the date of this letter, your Contingent Benefit Upon Lapse would be \$7,757.57.

There are two ways to elect the Contingent Benefit Upon Lapse:

- Choose this option today by signing and dating the enclosed Option Election Form and returning it in the enclosed postage-paid envelope; OR
- If you do not pay the increased premium **within 120 days of the due date**, which is January 1, 2021, you will be entitled to the Contingent Benefit Upon Lapse. We will automatically change your coverage to the Contingent Benefit Upon Lapse in lieu of your policy lapsing for non-payment of premium.

**IMPORTANT:** Paying the increased premium for coverage through 120 days from January 1, 2021, constitutes your acceptance of the rate increase and voids the Contingent Benefit Upon Lapse offer.

**What is the Contingent Benefit Upon Lapse?**

**The Contingent Benefit Upon Lapse Option** allows you to retain reduced long term care insurance benefits in the event you can no longer afford your premium due to a substantial premium increase. Under this option, the same Daily Benefit amounts in effect at the time of lapse will be payable, but the Total Lifetime Benefit will be equal to the greater of the items a) or b) below:

- a) The total amount of premiums paid and applied to Your Policy; **OR**
- b) Thirty (30) times the Daily Benefit



Principal Life Insurance Company

The total of all benefits paid under your policy will not exceed the Total Lifetime Benefit that would have been payable if your policy did not lapse.

Important facts to know about this reduced benefit are:

- No future premium is due.
- The Total Lifetime Benefit is significantly less than the benefit provided if you choose to continue paying your premium.
- All riders and inflation options, including the Return of Premium Death Benefit Rider or the Return of Premium Benefit Rider, will be terminated.
- All other terms, conditions, limitations and exclusions in your current coverage apply to the Contingent Benefit Upon Lapse.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at <https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>.

Please be advised that premiums are subject to future rate increases. If future rate increases are requested and approved, we will offer you options similar to those in this letter.

If you have questions on the above options, please call Customer Service toll free at 1-800-240-1675.

**At any time, you may request a Summary of Benefits, with your new premium rate, by contacting Customer Service.**

If you are currently on claim and your premium is being waived, the increase will be applied when your premium is no longer being waived. Please be assured that your benefits are not affected and that your claims will continue to be paid.

As always, thank you for your business with the company.

Sincerely,

A handwritten signature in cursive script that reads 'Cheryl Bush'.

Cheryl Bush, RN

Senior Vice President, Long Term Care Operations

On behalf of Principal Life Insurance Company

Enclosures: Option Election Form; Postage-Paid Return Envelope



January 23, 2020

Bill Dismore  
Virginia Bureau of Insurance (Bureau)  
Tyler Building, 1300 E. Main Street  
Richmond, Virginia 23219

Via *SERFF*

RE: Principal Life Insurance Company (Principal)  
Company NAIC # 61271  
SERFF Tracking # TRIP-131594000  
PrinCare Long-Term Care Certificate (LTC I) FR 142  
Long Term Care Insurance for the Principal Financial Group Certificate (PLTC) FR 601

Dear Mr. Dismore:

Thank you for reviewing this filing. This letter is in response to your objection dated December 31, 2019 regarding the above- referenced filing. The remainder of this letter provides additional information requested. The requests are restated in italics for reference.

- 1) *In your 12/11/2019 objection response, the Company explained that they did not offer a nonforfeiture benefit option in the long-term care policy or as a rider.*

*Since the Company has not offered a nonforfeiture benefit as part of the policy, then 14 VAC 5-200-185-D. provides that policies without nonforfeiture benefits shall provide a “contingent benefit upon lapse.”*

*The Virginia Bureau of Insurance does not consider the two benefits to be identical and/or interchangeable and the policyholder letter should be revised using the correct terminology.*

A revised policyholder letter and Option Election Form for policyholders with an unlimited benefit and a Contingent Benefit Upon Lapse election form for policyholders with a limited benefit are being submitted under the Form Schedule tab which reflect the correct “contingent benefit upon lapse” terminology.

- 2) *In “OFFICER\_TITLE” located under the Signature Line,*

*The John Doe letter introduces MedAmerica Insurance Company into the Principal Life Insurance Company’s policyholder letter, they need to explain the relationship of MedAmerica Insurance Company to Principal Life Insurance Company to prevent confusing the policyholder.*

Revised John Doe letters are being submitted under the Supporting Documentation tab which remove all references to MedAmerica Insurance Company from the letter. Separate John Doe letters were provided for policies with a limited benefit period and an unlimited benefit period.

Thank you for working with us to complete this filing in Virginia. Please let me know if you have any additional questions. You can reach me directly at (224) 217-9037 or by e-mail at: [tmoltumyr@triplusservices.com](mailto:tmoltumyr@triplusservices.com).

Respectfully,

Todd M. Moltumyr, ASA, MAAA  
Vice President, Actuarial